

HOUSE BILL NO. 6211

November 26, 2024, Introduced by Reps. Grant and Martus and referred to the Committee on Economic Development and Small Business.

A bill to amend 1974 PA 198, entitled

"An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,"

by amending section 15 (MCL 207.565), as amended by 2010 PA 122.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 15. (1) Upon receipt of a request by certified mail to
2 the commission by the holder of an industrial facilities exemption
3 certificate requesting revocation of the certificate, the
4 commission shall by order revoke the certificate in whole or revoke
5 the certificate with respect to its real property component, or its
6 personal property component, whichever is requested.

7 (2) The legislative body of a local governmental unit may by
8 resolution request the commission to revoke the industrial
9 facilities exemption certificate of a facility upon the grounds
10 that, except as provided in section 7a, completion of the
11 replacement facility or new facility has not occurred within 2
12 years after the effective date of the certificate, unless a greater
13 time has been authorized by the commission for good cause; that the
14 replacement, restoration, or construction of the facility has not
15 occurred within 6 years after the date the initial industrial
16 facilities exemption certificate was issued as provided in section
17 7a, unless a greater time has been authorized by the commission for
18 good cause; that completion of the speculative building has not
19 occurred within 2 years after the date the certificate was issued
20 except as provided in section 7a, unless a greater time has been
21 authorized by the commission for good cause; that a speculative
22 building for which a certificate has been issued but is not yet
23 effective has been used as other than a manufacturing, **warehousing,**
24 **or distribution** facility; that the certificate issued for a
25 speculative building has not become effective within 2 years after
26 the December 31 following the date the certificate was issued; or
27 that the purposes for which the certificate was issued are not
28 being fulfilled as a result of a failure of the holder to proceed

1 in good faith with the replacement, restoration, or construction
2 and operation of the replacement facility or new facility or with
3 the use of the speculative building as a manufacturing,
4 **warehousing, or distribution** facility in a manner consistent with
5 the purposes of this act and in the absence of circumstances that
6 are beyond the control of the holder.

7 (3) Upon receipt of the resolution, the commission shall give
8 notice in writing by certified mail to the holder of the
9 certificate, to the local legislative body, to the assessor of the
10 assessing unit, and to the legislative body of each local taxing
11 unit ~~which~~**that** levies taxes upon property in the local
12 governmental unit in which the facility is located. The commission
13 shall afford to the holder of the certificate, the local
14 legislative body, the assessor, and a representative of the
15 legislative body of each taxing unit an opportunity for a hearing.
16 The commission shall by order revoke the certificate if the
17 commission finds that completion except as provided in section 7a
18 of the replacement facility or new facility has not occurred within
19 2 years after the effective date of the certificate or a greater
20 time as authorized by the commission for good cause; that
21 completion of the speculative building has not occurred within 2
22 years after the date the certificate was issued except as provided
23 in section 7a, unless a greater time has been authorized by the
24 commission for good cause; that a speculative building for which a
25 certificate has been issued but is not yet effective has been used
26 as other than a manufacturing, **warehousing, or distribution**
27 facility; that the certificate issued for a speculative building
28 has not become effective within 2 years after the December 31
29 following the date the certificate was issued; or that the holder

1 of the certificate has not proceeded in good faith with the
2 replacement, restoration, or construction and operation of the
3 facility or with the use of the speculative building as a
4 manufacturing, **warehousing, or distribution** facility in good faith
5 in a manner consistent with the purposes of this act and in the
6 absence of circumstances that are beyond the control of the holder.

7 (4) The order of the commission revoking the certificate ~~shall~~
8 **must** be effective on the December 31 next following the date of the
9 order and the commission shall send by certified mail copies of its
10 order of revocation to the holder of the certificate, to the local
11 legislative body, to the assessor of the assessing unit in which
12 the facility is located, and to the legislative body of each taxing
13 unit ~~which~~**that** levies taxes upon property in the local
14 governmental unit in which the facility is located.

15 (5) A revocation of a certificate issued for a speculative
16 building ~~shall~~**must** specify and apply only to that portion of the
17 speculative building for which the grounds for revocation relate.

18 (6) Notwithstanding any other provision of this act, upon the
19 written request of the holder of a revoked industrial facilities
20 exemption certificate to the local unit of government and the
21 commission or upon the application of a subsequent owner to the
22 local governing body to transfer the revoked industrial facilities
23 exemption certificate to a subsequent owner, and the submission to
24 the commission of a resolution of concurrence by the legislative
25 body of the local unit of government in which the facility is
26 located, and if the facility continues to qualify under this act,
27 the commission may reinstate a revoked industrial facilities
28 exemption certificate for the holder or a subsequent owner that has
29 applied for the transfer.

1 Enacting section 1. This amendatory act does not take effect
2 unless all of the following bills of the 102nd Legislature are
3 enacted into law:

4 (a) Senate Bill No. 536.

5 (b) Senate Bill No. ____ or House Bill No. 6212 (request no.
6 06996'24).