

1998 PUBLIC AND LOCAL ACTS

[No. 243]

(SB 590)

AN ACT to amend 1978 PA 255, entitled "An act to provide for the establishment of commercial redevelopment 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 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 remedies and penalties," by amending section 12 (MCL 207.662), as amended by 1996 PA 450.

The People of the State of Michigan enact:

207.662 Commercial facilities tax; levy; amount; collection, disbursement, and assessment of tax; allocation; payment to state treasury and credit to state school aid fund; copy of amount of disbursement; facility located in renaissance zone; "casino" defined. [M.S.A. 7.800(62)]

Sec. 12. (1) Except as provided in subsection (9), there is levied upon every owner of a new, replacement, or restored facility to which a commercial facilities exemption certificate is issued a specific tax to be known as the commercial facilities tax.

(2) The amount of the commercial facilities tax, in each year, in the case of a restored facility shall be determined by multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located by the state equalized valuation of the obsolete commercial property for the tax year immediately preceding the effective date of the commercial facilities exemption certificate after deducting the state equalized valuation of the land and of personal property other than personal property assessed pursuant to section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14.

(3) The amount of the commercial facilities tax, in each year, in the case of a new or replacement facility shall be determined by multiplying the state equalized valuation of the facility excluding the land and personal property other than personal property assessed pursuant to section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14, by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied for school operating purposes by a local or intermediate school district within which the facility is located or mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, plus 1/2 of the number of mills levied for school operating purposes in 1993.

(4) The commercial facilities tax shall be collected, disbursed, and assessed in accordance with this act.

(5) The commercial facilities tax is an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, are payable. Except as otherwise provided in this section, the officer or officers shall disburse the commercial facilities tax payments received by the officer or officers each year to and among the state, cities, townships, villages, school districts, counties, and authorities, at the same times and in the same proportions as required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. To determine the proportion for the disbursement of taxes under this subsection and for attribution of taxes under

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subsection (7) for taxes collected pursuant to commercial facilities exemption certificates issued before January 1, 1994, the number of mills levied for local school district operating purposes to be used in the calculation shall equal the number of mills for local school district operating purposes levied in 1993 minus the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, for the year for which the disbursement is calculated.

(6) Except as provided in subsection (7), for intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount that would otherwise be disbursed to an intermediate school district, all or a portion, to be determined on the basis of the tax rates being utilized to compute the amount of state aid, shall be paid to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963. If the sum of any industrial facility taxes prescribed by 1974 PA 198, 207.551 to 207.572, and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund that would otherwise be disbursed to the local or intermediate school district, pursuant to section 11 of 1974 PA 198, MCL 207.561, and this section, exceeds the amount received by the local or intermediate school district under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, the department of treasury shall allocate to each eligible local or intermediate school district an amount equal to the difference between the sum of the industrial facility taxes and the commercial facilities taxes paid to the state treasury to the credit of the state school aid fund and the amount the local or intermediate school district received under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681. This subsection applies to taxes levied before 1994.

(7) For commercial facilities taxes levied after 1993 for school operating purposes, the amount that would otherwise be disbursed to a local school district shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(8) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission.

(9) A new, replacement, or restored facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the commercial facilities tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the commercial facilities tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The commercial facilities tax calculated under this subsection shall be disbursed proportionately to the local taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

(10) As used in this act, facility does not include a casino. As used in this subsection, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.216.

This act is ordered to take immediate effect.

Approved July 2, 1998.

Filed with Secretary of State July 3, 1998.
