

Act No. 163  
Public Acts of 1989  
Approved by the Governor  
August 15, 1989  
Filed with the Secretary of State  
August 15, 1989

**STATE OF MICHIGAN  
85TH LEGISLATURE  
REGULAR SESSION OF 1989**

Introduced by Reps. Jondahl, Oxender, Nye, Keith and O'Neill

# **ENROLLED HOUSE BILL No. 4297**

AN ACT to amend section 12 of Act No. 255 of the Public Acts of 1978, 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," as amended by Act No. 135 of the Public Acts of 1984, being section 207.662 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 12 of Act No. 255 of the Public Acts of 1978, as amended by Act No. 135 of the Public Acts of 1984, being section 207.662 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 12. (1) 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 for 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 situated 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, Act No. 206 of the Public Acts of 1893, as amended, being section 211.14 of the Michigan Compiled Laws.

(3) The amount of the commercial facilities tax in each year for a new or replacement facility shall be determined by multiplying 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is situated by the state equalized valuation of the facility excluding the land and personal property other than personal property assessed pursuant to section 14(6) of Act No. 206 of the Public Acts of 1893, as amended.

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

(5) The commercial facilities tax shall be an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under Act No. 206 of the Public Acts of 1893, as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws, are payable. The officer or officers shall disburse the commercial facilities tax payments received by the officer or officers each year to and among the same 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 Act No. 206 of the Public Acts of

1893, as amended, except that for local and intermediate school districts receiving state aid under sections 21(1), 56, 62, and 81 of the state school aid act of 1979, Act No. 94 of the Public Acts of 1979, being sections 388.1621, 388.1656, 388.1662, and 388.1681 of the Michigan Compiled Laws, of the amount that would otherwise be disbursed to a local or 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 account for education fund established by section 11 of article IX of the state constitution of 1963. If the sum of any industrial facility taxes prescribed by Act No. 198 of the Public Acts of 1974, being sections 207.551 to 207.571 of the Michigan Compiled Laws, and the commercial facilities taxes paid to the state treasury to the credit of the state account for education fund that would otherwise be disbursed to the local or intermediate school district, pursuant to section 11 of Act No. 198 of the Public Acts of 1974 and this section, exceeds the amount received by the local or intermediate school district under sections 21(1), 56, 62, and 81 of Act No. 94 of the Public Acts of 1979, 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 account for education fund and the amount the local or intermediate school district received under sections 21(1), 56, 62, and 81 of Act No. 94 of the Public Acts of 1979. 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.

(6) For the purposes of this section, for exemption certificates issued before January 1, 1990, the calculation of total mills levied as ad valorem taxes for that year shall include the local school district ad valorem tax rate for operating purposes in effect for the 1989 calendar year.

Section 2. This amendatory act shall not take effect unless amendment 2 of House Joint Resolution I of the 85th Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963.

This act is ordered to take immediate effect.

.....  
Clerk of the House of Representatives.

.....  
Secretary of the Senate.

Approved .....

.....  
Governor.