

HOUSE BILL No. 4297

February 23, 1989, Introduced by Reps. Jondahl, Oxender, Nye, Keith and O'Neill and referred to the Committee on Taxation.

A bill to amend section 12 of Act No. 255 of the Public Acts of 1978, entitled
"Commercial redevelopment act,"
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:

1 Section 1. Section 12 of Act No. 255 of the Public Acts of
2 1978, as amended by Act No. 135 of the Public Acts of 1984, being
3 section 207.662 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 12. (1) There is levied upon every owner of a new,
6 replacement, or restored facility to which a commercial facili-
7 ties exemption certificate is issued a specific tax to be known
8 as the commercial facilities tax.

1 (2) The amount of the commercial facilities tax ~~—~~ in each
2 year ~~—, in the case of~~ FOR a restored facility shall be
3 determined by multiplying the total mills levied as ad valorem
4 taxes for that year by all taxing units within which the facility
5 is situated by the state equalized valuation of the obsolete com-
6 mercial property for the tax year immediately preceding the
7 effective date of the commercial facilities exemption certificate
8 after deducting the state equalized valuation of the land and of
9 personal property other than personal property assessed pursuant
10 to section 14(6) of THE GENERAL PROPERTY TAX ACT, Act No. 206 of
11 the Public Acts of 1893, as amended, being section 211.14 of the
12 Michigan Compiled Laws.

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

21 (4) The commercial facilities tax shall be collected, dis-
22 bursed, and assessed in accordance with this act.

23 (5) The commercial facilities tax shall be an annual tax,
24 payable at the same times, in the same installments, and to the
25 same officer or officers as taxes imposed under Act No. 206 of
26 the Public Acts of 1893, as amended, being sections 211.1 to
27 211.157 of the Michigan Compiled Laws, are payable. The officer

1 or officers shall disburse the commercial facilities tax payments
2 received by the officer or officers each year to and among the
3 same cities, townships, villages, school districts, counties, and
4 authorities, at the same times and in the same proportions as
5 required by law for the disbursement of taxes collected under Act
6 No. 206 of the Public Acts of 1893, as amended, except that ~~in~~
7 ~~the case of~~ FOR local and intermediate school districts receiv-
8 ing state aid under sections 21(1), 56, 62, and 81 of the state
9 school aid act of 1979, Act No. 94 of the Public Acts of 1979,
10 being sections 388.1621, 388.1656, 388.1662, and 388.1681 of the
11 Michigan Compiled Laws, of the amount that would otherwise be
12 disbursed to a local or intermediate school district, all or a
13 portion, to be determined on the basis of the tax rates being
14 utilized to compute the amount of state aid, shall be paid to the
15 state treasury to the credit of the state school aid fund estab-
16 lished by section 11 of article IX of the state constitution of
17 1963. If the sum of any industrial facility taxes prescribed by
18 Act No. 198 of the Public Acts of 1974, being sections 207.551 to
19 207.571 of the Michigan Compiled Laws, and the commercial facili-
20 ties taxes paid to the state treasury to the credit of the state
21 school aid fund that would otherwise be disbursed to the local or
22 intermediate school district, pursuant to section 11 of Act
23 No. 198 of the Public Acts of 1974 and this section, exceeds the
24 amount received by the local or intermediate school district
25 under sections 21(1), 56, 62, and 81 of Act No. 94 of the Public
26 Acts of 1979, the department of treasury shall allocate to each
27 eligible local or intermediate school district an amount equal to

1 the difference between the sum of the industrial facility taxes
2 and the commercial facilities taxes paid to the state treasury to
3 the credit of the state school aid fund and the amount the local
4 or intermediate school district received under sections 21(1),
5 56, 62, and 81 of Act No. 94 of the Public Acts of 1979. The
6 officer or officers shall send a copy of the amount of disburse-
7 ment made to each unit under this section to the commission on a
8 form provided by the commission.

9 (6) FOR THE PURPOSES OF THIS SECTION, FOR EXEMPTION CERTIFI-
10 CATES ISSUED BEFORE JANUARY 1, 1989, THE CALCULATION OF TOTAL
11 MILLS LEVIED AS AD VALOREM TAXES FOR THAT YEAR SHALL INCLUDE THE
12 LOCAL SCHOOL DISTRICT AD VALOREM TAX RATE FOR OPERATING PURPOSES
13 IN EFFECT FOR THE 1988 CALENDAR YEAR.

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