

HOUSE BILL No. 5859

June 5, 1990, Introduced by Rep. Van Regenmorter and referred to the Committee on Taxation.

A bill to amend section 11 of Act No. 198 of the Public Acts of 1974, 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 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,"

as amended by Act No. 122 of the Public Acts of 1984, being section 207.561 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 11 of Act No. 198 of the Public Acts of
2 1974, as amended by Act No. 122 of the Public Acts of 1984, being
3 section 207.561 of the Michigan Compiled Laws, is amended to read
4 as follows:

1 Sec. 11. (1) There is levied upon every owner of a
2 speculative building, a new facility, or a replacement facility
3 to which an industrial facilities exemption certificate is issued
4 a specific tax to be known as the industrial facility tax.

5 (2) The industrial facility tax shall be an annual tax, pay-
6 able at the same times, in the same installments, and to the same
7 officer or officers as taxes imposed under the general property
8 tax act, Act No. 206 of the Public Acts of 1893, as amended,
9 being sections 211.1 to 211.157 of the Michigan Compiled Laws,
10 are payable. The officer or officers shall disburse the indus-
11 trial facility tax payments received each year to and among the
12 same cities, townships, villages, school districts, counties, and
13 authorities, at the same times and in the same proportions as
14 required by law for the disbursement of taxes collected under Act
15 No. 206 of the Public Acts of 1893, as amended. ~~However, except~~
16 ~~as provided by subsection (3), in the case of a local or interme-~~
17 ~~diate school district receiving state aid under section 21(1),~~
18 ~~56, 62, or 81 of the state school aid act of 1979, Act No. 94 of~~
19 ~~the Public Acts of 1979, being section 388.1621, 388.1656,~~
20 ~~388.1662, or 388.1681 of the Michigan Compiled Laws, of the~~
21 ~~amount that would otherwise be disbursed to or retained by the~~
22 ~~local or intermediate school district, all or a portion, to be~~
23 ~~determined on the basis of the tax rates being utilized to com-~~
24 ~~pute the amount of the state school aid, shall be paid instead to~~
25 ~~the state treasury to the credit of the state school aid fund~~
26 ~~established by section 11 of article IX of the state constitution~~
27 ~~of 1963.~~ If the sum of any commercial facilities taxes

1 prescribed by THE COMMERCIAL REDEVELOPMENT ACT, Act No. 255 of
2 the Public Acts of 1978, being sections 207.651 to 207.668 of the
3 Michigan Compiled Laws, and the industrial facility taxes paid to
4 the state treasury to the credit of the state school aid fund
5 that would otherwise be disbursed to the local or intermediate
6 school district, pursuant to section 12 of Act No. 255 of the
7 Public Acts of 1978, BEING SECTION 207.662 OF THE MICHIGAN
8 COMPILED LAWS, and this section, exceeds the amount received by
9 the local or intermediate school district under sections 21(1),
10 56, 62, and 81 of THE STATE SCHOOL AID ACT OF 1979, Act No. 94
11 of the ~~Public~~ PUBLIC Acts of 1979, BEING SECTIONS 388.1621,
12 388.1656, 388.1662, AND 388.1681 OF THE MICHIGAN COMPILED LAWS,
13 the department of treasury shall allocate to each eligible local
14 or intermediate school district an amount equal to the difference
15 between the sum of the commercial facilities taxes and the indus-
16 trial facility taxes paid to the state treasury to the credit of
17 the state school aid fund and the amount the local or intermedi-
18 ate school district received under sections 21(1), 56, 62, and 81
19 of Act No. 94 of the Public Acts of 1979, MINUS THE AMOUNT OF
20 INDUSTRIAL FACILITY TAXES RETAINED UNDER SUBSECTION (3).

21 (3) ~~A local or intermediate school district shall receive~~
22 ~~or retain its industrial facility tax payment that is levied in~~
23 ~~any year and becomes a lien before December 1 of the year if the~~
24 ~~district files a statement with the state treasurer not later~~
25 ~~than June 30 of the year certifying that the district does not~~
26 ~~expect to receive state school aid payments under section 21(1),~~
27 ~~56, 62, or 81 of Act No. 94 of the Public Acts of 1979 in the~~

~~1 state fiscal year commencing in the year this statement is filed~~
~~2 and if the district did not receive state school aid payments~~
~~3 under section 21(1), 56, 62, or 81 of Act No. 94 of the Public~~
~~4 Acts of 1979 for the state fiscal year concluding in the year the~~
~~5 statement required by this subsection is filed. However, if a~~
~~6 local or intermediate school district receives or retains its~~
~~7 summer industrial facility tax payment pursuant to this subsec-~~
~~8 tion and becomes entitled to receive state school aid payments~~
~~9 under section 21(1), 56, 62, or 81 of Act No. 94 of the Public~~
~~10 Acts of 1979 in the state fiscal year commencing in the year in~~
~~11 which it filed the statement required by this subsection, the~~
~~12 district immediately shall pay to the state treasury to the~~
~~13 credit of the state school aid fund an amount of the summer~~
~~14 industrial facility tax payments that would have been paid to the~~
~~15 state treasury to the credit of the state school aid fund under~~
~~16 subsection (2) had not this subsection allowed the district to~~
~~17 receive or retain the summer industrial facility tax payment. A~~
18 LOCAL OR INTERMEDIATE SCHOOL DISTRICT SHALL RECEIVE OR RETAIN ITS
19 PORTION OF THE INDUSTRIAL FACILITY TAX PAYMENTS LEVIED EACH
20 YEAR. IF THE LOCAL OR INTERMEDIATE SCHOOL DISTRICT IS OR BECOMES
21 ELIGIBLE TO RECEIVE STATE SCHOOL AID PAYMENTS UNDER
22 SECTION 21(1), 56, 62, OR 81 OF ACT NO. 94 OF THE PUBLIC ACTS OF
23 1979, THE LOCAL OR INTERMEDIATE DISTRICT SHALL RECEIVE STATE
24 SCHOOL AID PAYMENTS ONLY IN AN AMOUNT EQUAL TO THE DIFFERENCE
25 BETWEEN THE STATE SCHOOL AID PAYMENTS DUE AND THE AMOUNT OF THE
26 INDUSTRIAL FACILITY TAX PAYMENTS RECEIVED OR RETAINED UNDER THIS
27 SUBSECTION.