
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 438 (as introduced 4-23-97)

Sponsor: Senator Glenn D. Steil

Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 5-21-97

CONTENT

The bill would amend the Plant Rehabilitation and Industrial Development Districts Act to specify that notwithstanding any other provision of the Act, if, on March 2, 1993, a local governmental unit passed a resolution approving an industrial facilities exemption certificate for a new facility, but then reclassified and passed a resolution for the same facility as a replacement facility on November 7, 1995, the State Tax Commission would have to issue, for that facility, an industrial facilities exemption certificate for the replacement facility from December 30, 1996, through December 30, 2006.

The Act specifies, among other things, that the commencement of restoration, replacement, or construction of the facility must occur not earlier than six months before the filing of the application for the exemption certificate with the local unit. (The certificate grants a property tax abatement to an industrial facility, which is then required to pay a specific tax instead of property taxes.)

MCL 207.559

Legislative Analyst: N. Nagata

FISCAL IMPACT

The fiscal impact for the local units involved, if they are presently collecting property tax, would be a reduction in the local units' property tax collections.

Fiscal Analyst: R. Ross

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