
Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 828 (Substitute S-1)
Sponsor: Senator Harry Gast
Committee: Appropriations

Date Completed: 12-3-97

CONTENT

The bill would amend the General Property Tax Act to exempt from the property tax personal property in a renaissance zone on tax day even if the property were in the renaissance zone for less than 50% of the immediately preceding tax year, as long as additional requirements also were met. The additional requirements specify that the personal property was not previously located in this State and the owner of the personal property filed an affidavit stating that the personal property would be located in the renaissance zone for not less than 50% of the tax year. Under current law, personal property that is located in a renaissance zone for more than 50% of the tax year is exempt; however, personal property that is located in a renaissance zone for less than 50% of the tax year is not exempt.

MCL 211.7ff

FISCAL IMPACT

The bill would exempt additional personal property that is located in a renaissance zone from State, local, and school property taxes. The State would reimburse the school districts for the tax revenue lost as a result of the exempt personal property. The fiscal impact depends on the taxable value of the personal property that was initially located in a renaissance zone between July 1, 1997, and December 31, 1997, was not previously located in this State, and will remain in the renaissance zone at least half of the tax year.

MCL 211.7ff

Fiscal Analyst: R. Ross

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