

**HOUSE SUBSTITUTE FOR SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5365**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 10 (MCL 125.2690), as amended by 1998 PA 239,
and by adding section 8a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 8A. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT,
2 IF A BUSINESS THAT IS LOCATED AND CONDUCTS BUSINESS ACTIVITY
3 WITHIN A RENAISSANCE ZONE RELOCATES OUTSIDE THE RENAISSANCE ZONE,
4 THE BUSINESS SHALL RECEIVE THE EXEMPTION, DEDUCTION, AND CREDITS
5 PROVIDED IN SECTION 9 FOR THE PROPERTY THAT WAS LOCATED IN THE
6 RENAISSANCE ZONE AND BUSINESS ACTIVITY THAT WAS PERFORMED IN THE
7 RENAISSANCE ZONE IF ALL THE FOLLOWING ARE MET:

8 (A) THE BUSINESS RELOCATES TO A PARCEL THAT IS ADJACENT TO
9 AND CONTIGUOUS WITH THE PARCEL IN THE RENAISSANCE ZONE ON WHICH
10 THE PROPERTY WAS LOCATED AND BOTH PARCELS ARE OWNED BY THE SAME

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1 PERSON AND WERE OWNED BY THE SAME PERSON ON THE DATE THE
2 RENAISSANCE ZONE WAS CREATED.

3 (B) THE PROPERTY AND BUSINESS ACTIVITY RELOCATED OUTSIDE THE
4 RENAISSANCE ZONE WAS LOCATED AND CONDUCTED IN THE RENAISSANCE
5 ZONE ON THE DATE THE RENAISSANCE ZONE WAS DESIGNATED UNDER THIS
6 ACT.

7 (C) THE REASON FOR RELOCATING THE PROPERTY AND BUSINESS
8 ACTIVITY OUTSIDE THE RENAISSANCE ZONE IS TO CONSTRUCT NEW FACILI-
9 TIES [OF \$1,000,000.00 OR GREATER IN REAL AND PERSONAL PROPERTY]
INSIDE THE RENAISSANCE ZONE.

10 (D) THE BUSINESS REQUESTS APPROVAL FOR THE RELOCATION FROM
11 THE LOCAL UNIT OF GOVERNMENT THAT CREATED THE RENAISSANCE ZONE
12 AND THAT APPROVAL IS GRANTED.

13 (E) THE BUSINESS SUBMITS A DEVELOPMENT PLAN OUTLINING ITS
14 BUSINESS PLAN FOR THE USE OF THE PROPERTY WITHIN THE RENAISSANCE
15 ZONE AND FOR THE BUSINESS ACTIVITY AND USE OF THE PROPERTY OUT-
16 SIDE THE RENAISSANCE ZONE THAT IS TO BE RELOCATED UNDER THIS SEC-
17 TION AND ENTERS INTO AN ENFORCEABLE DEVELOPMENT AGREEMENT WITH
18 THE LOCAL UNIT OF GOVERNMENT REGARDING THE IMPLEMENTATION OF THAT
19 BUSINESS PLAN.

20 Sec. 10. (1) An individual who is a resident of a renais-
21 sance zone or a business that is located and conducts business
22 activity within a renaissance zone or a person that owns property
23 located in a renaissance zone is not eligible for the exemption,
24 deduction, or credit listed in section 9(1) or (2) for that tax-
25 able year if 1 or more of the following apply:

26 (a) The resident, business, or property owner is delinquent
27 under 1 or more of the following:

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1 (i) The single business tax act, 1975 PA 228, MCL 208.1 to
2 208.145.

3 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to
4 206.532.

5 ~~(iii) The city income tax act, 1964 PA 284, MCL 141.501 to~~
6 ~~141.787.~~

7 (iii) ~~(iv)~~ 1974 PA 198, MCL 207.551 to 207.572.

8 (iv) ~~(v)~~ The commercial redevelopment act, 1978 PA 255,
9 MCL 207.651 to 207.668.

10 (v) ~~(vi)~~ The enterprise zone act, 1985 PA 224, MCL
11 125.2101 to 125.2123.

12 (vi) ~~(vii)~~ 1953 PA 189, MCL 211.181 to 211.182.

13 (vii) ~~(viii)~~ The technology park development act, 1984 PA
14 385, MCL 207.701 to 207.718.

15 (viii) ~~(ix)~~ Part 511 (commercial forests) of the natural
16 resources and environmental protection act, 1994 PA 451, MCL
17 324.51101 to 324.51120.

18 (ix) ~~(x)~~ The neighborhood enterprise zone act, 1992 PA
19 147, MCL 207.771 to 207.787.

20 (x) ~~(xi)~~ The city utility users tax act, 1990 PA 100, MCL
21 141.1151 to 141.1177.

22 ~~(xii) Taxes, fees, and special assessments collected under~~
23 ~~the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.~~

24 (B) THE RESIDENT, BUSINESS, OR PROPERTY OWNER IS SUBSTAN-
25 TIALY DELINQUENT AS DETERMINED BY THE QUALIFIED LOCAL GOVERNMEN-
26 TAL UNIT IN WHICH THE RENAISSANCE ZONE IS LOCATED UNDER 1 OR BOTH
27 OF THE FOLLOWING:

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1 (i) THE CITY INCOME TAX ACT, 1964 PA 284, MCL 141.501 TO
2 141.787.

3 (ii) TAXES, FEES, AND SPECIAL ASSESSMENTS COLLECTED UNDER
4 THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157.

5 (C) ~~(b)~~ For residential rental property in a renaissance
6 zone, the residential rental property is not in substantial com-
7 pliance with all applicable state and local zoning, building, and
8 housing laws, ordinances, or codes and the residential rental
9 property owner has not filed an affidavit before December 31 in
10 the immediately preceding tax year with the local tax collecting
11 unit in which the residential rental property is located as
12 required under section 7ff of the general property tax act, 1893
13 PA 206, MCL 211.7ff.

14 (2) A business located in a qualified local governmental
15 unit that relocates from outside a renaissance zone into a
16 renaissance zone in that same qualified local governmental unit
17 shall not receive the exemptions, deductions, or credits
18 described in section 9 unless the governing body of the qualified
19 local governmental unit in which the renaissance zone is located
20 approves the relocation of the business.

21 (3) ~~If~~ UNLESS APPROVAL OF THE RELOCATION IS OBTAINED UNDER
22 SUBSECTION (2), IF a business relocates more than 25 full-time
23 equivalent jobs ~~from 1 or more local governmental units other~~
24 ~~than a local governmental unit in which a renaissance zone is~~
25 ~~located to a local governmental unit within~~ a renaissance
26 zone, the business shall notify the Michigan jobs commission and
27 the local governmental unit from which the jobs are being

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1 relocated of the relocation. The business is not eligible for
2 the exemptions, deductions, or credits listed in section 9(1) and
3 (2) if the local governmental unit from which the jobs are being
4 relocated adopts a resolution objecting to the relocation of the
5 jobs within 60 days after the notification by the business. The
6 business becomes eligible for the exemptions, deductions, and
7 credits listed in section 9(1) and (2) when the local governmen-
8 tal unit that objected to the relocation rescinds its objection
9 by resolution. A local governmental unit that objects to the
10 relocation of jobs shall file a copy of all resolutions of objec-
11 tion and rescission with the department of treasury, Michigan
12 jobs commission, county or local governmental unit that created
13 the renaissance zone into which the jobs are transferred, and the
14 local governmental unit into which the jobs are transferred. As
15 used in this subsection only, "local governmental unit" means a
16 city, village, or township.

17 (4) An individual who is a resident of a renaissance zone is
18 eligible for an exemption, deduction, or credit under section
19 9(1) and (2) until the department of treasury determines that the
20 aggregate state and local tax revenue forgone as a result of all
21 exemptions, deductions, or credits granted under this act to that
22 individual reaches \$10,000,000.00.

23 (5) A casino located and conducting business activity within
24 a renaissance zone is not eligible for the exemption, deduction,
25 or credit listed in section 9(1) or (2). Real property in a
26 renaissance zone on which a casino is operated, personal property
27 of a casino located in a renaissance zone, and all property

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1 associated or affiliated with the operation of a casino is not
2 eligible for the exemption, deduction, or credit listed in sec-
3 tion 9(1) or (2). As used in this subsection, "casino" means a
4 casino or a parking lot, hotel, motel, or retail store owned or
5 operated by a casino, an affiliate, or an affiliated company,
6 regulated by this state pursuant to the Michigan gaming control
7 and revenue act, the Initiated Law of 1996, MCL 432.201 to
8 ~~432.216~~ 432.226.