

Legislative Analysis



START-UP PACKAGE: PA 198

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Senate Bill 869 (Substitute H-1)
Sponsor: Sen. Patricia Birkholz
Committee: Commerce

Complete to 5-12-04

A SUMMARY OF SENATE BILL 869 (SUBSTITUTE H-1) AS REPORTED FROM THE HOUSE COMMITTEE ON COMMERCE

Senate Bill 869 would amend the Plant Rehabilitation and Industrial Development Districts Act, also known as P.A. 198. It is part of the “start-up business incentive” package of bills. Eleven bills in that package have already passed the House and are awaiting action on the Senate floor. For information on that package, see the analyses for House Bill 5331, et al.

Senate Bill 869 would amend P.A. 198 to exempt a speculative building, new facility, or replacement facility of a qualified start-up business from the industrial facility tax (which is levied in lieu of property taxes as a means of providing a property tax abatement to industrial facilities). The exemption would not apply to that portion of the tax attributable to special assessments, debt millages, school enhancement millages, and school building sinking funds. Similar provisions regarding other taxes are found in the rest of the start-up package.

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