

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1111

A bill to amend 1974 PA 198, 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 impose and provide for the disposition of an administrative fee; 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,"

by amending section 7 (MCL 207.557), as amended by 2005 PA 267.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) Within 60 days after receipt of an approved
2 application or an appeal of a disapproved application that was
3 submitted to the commission before October 31 of that year, the
4 commission shall determine whether the facility is a speculative

1 building or designed and acquired primarily for the purpose of
2 restoration or replacement of obsolete industrial property or the
3 construction of new industrial property, and whether the facility
4 otherwise complies with section 9 and with the other provisions of
5 this act. If the commission so finds, it shall issue an industrial
6 facilities exemption certificate. Before issuing a certificate the
7 commission shall notify the state treasurer of the application and
8 shall obtain the written concurrence of the department of labor and
9 economic growth that the application complies with the requirements
10 in section 9. Except as otherwise provided in section 7a, the
11 effective date of the certificate for a replacement facility or new
12 facility is the immediately succeeding December 31 following the
13 date the certificate is issued. For a speculative building or a
14 portion of a speculative building, except as otherwise provided in
15 section 7a, the effective date of the certificate is the
16 immediately succeeding December 31 following the date the
17 speculative building, or the portion of a speculative building, is
18 used as a manufacturing facility.

19 (2) The commission shall send an industrial facilities
20 exemption certificate, when issued, by certified mail to the
21 applicant, and a certified copy by certified mail to the assessor
22 of the assessing unit in which the facility is located or to be
23 located, and that copy shall be filed in his or her office. Notice
24 of the commission's refusal to issue a certificate shall be sent by
25 certified mail to the same persons.

26 (3) Notwithstanding any other provision of this act, if on
27 December 29, 1986 a local governmental unit passed a resolution

1 approving an exemption certificate for 10 years for real and
2 personal property but the commission did not receive the
3 application until 1992 and the application was not made complete
4 until 1995, then the commission shall issue, for that property, an
5 industrial facilities exemption certificate that begins December
6 30, 1987 and ends December 30, 1997.

7 (4) Notwithstanding any other provision of this act, if
8 pursuant to section 16a a local governmental unit passed a
9 resolution approving an industrial facilities exemption certificate
10 for a new facility on October 14, 2003 for a certificate that
11 expired in December 2002, the commission shall issue for that
12 property an industrial facilities exemption certificate that begins
13 on December 30, 2002 and ends December 30, 2009.

14 (5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, IF ON OR
15 BEFORE FEBRUARY 10, 2007 A LOCAL GOVERNMENTAL UNIT PASSED A
16 RESOLUTION APPROVING AN AMENDMENT OF AN INDUSTRIAL FACILITIES
17 EXEMPTION CERTIFICATE FOR A REPLACEMENT FACILITY AND THAT
18 CERTIFICATE WAS REVOKED BY THE COMMISSION EFFECTIVE DECEMBER 30,
19 2005 WITH THE ORDER OF REVOCATION ISSUED BY THE COMMISSION ON APRIL
20 10, 2006, NOTWITHSTANDING THE REVOCATION, THE COMMISSION SHALL
21 RETROACTIVELY AMEND THE CERTIFICATE AND GIVE FULL EFFECT TO THE
22 AMENDED CERTIFICATE, WHICH SHALL INCLUDE THE ADDITIONAL PERSONAL
23 PROPERTY EXPENDITURES DESCRIBED IN THE RESOLUTION AMENDING THE
24 CERTIFICATE, FOR THE PERIOD OF TIME BEGINNING WHEN THE CERTIFICATE
25 WAS ORIGINALLY APPROVED UNTIL THE CERTIFICATE WAS REVOKED.