

HOUSE BILL No. 5569

November 3, 2009, Introduced by Reps. Kowall, Opsommer, Paul Scott, Rick Jones, Haines, Tyler, Lund, Knollenberg, Ball, Calley, Proos and Mayes and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 700.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 700. (1) EXCEPT AS OTHERWISE LIMITED IN SUBSECTION (2),
2 BEGINNING ON THE DECEMBER 31 IN THE YEAR IN WHICH THE AMENDATORY
3 ACT THAT ADDED THIS SECTION TAKES EFFECT THROUGH DECEMBER 30 IN THE
4 SECOND IMMEDIATELY SUCCEEDING YEAR, NEW CONSTRUCTION AND
5 REPLACEMENT CONSTRUCTION ON ELIGIBLE PROPERTY ARE EXEMPT FROM THE
6 COLLECTION OF TAXES UNDER THIS ACT.

7 (2) THE EXEMPTION UNDER SUBSECTION (1) SHALL NOT EXCEED
8 \$100,000.00 IN TAXABLE VALUE FOR EACH PARCEL OF ELIGIBLE PROPERTY.

9 (3) IF NEW CONSTRUCTION AND REPLACEMENT CONSTRUCTION ARE 75%

1 OR MORE COMPLETE ON DECEMBER 30 IN THE SECOND IMMEDIATELY
2 SUCCEEDING YEAR AFTER THE AMENDATORY ACT THAT ADDED THIS SECTION
3 TAKES EFFECT, THE REMAINING NEW CONSTRUCTION AND REPLACEMENT
4 CONSTRUCTION SHALL BE EXEMPT UNDER THIS SECTION.

5 (4) NEW CONSTRUCTION AND REPLACEMENT CONSTRUCTION EXEMPT UNDER
6 SUBSECTION (1) SHALL NOT BE INCLUDED IN THE ASSESSMENT OF THE
7 ELIGIBLE PROPERTY UNTIL A TRANSFER OF OWNERSHIP OF THE ELIGIBLE
8 PROPERTY RESULTS IN AN ADJUSTMENT OF THE ELIGIBLE PROPERTY'S
9 TAXABLE VALUE UNDER SECTION 27A(3).

10 (5) AS USED IN THIS SECTION:

11 (A) "ELIGIBLE PROPERTY" MEANS REAL PROPERTY CLASSIFIED UNDER
12 SECTION 34C AS INDUSTRIAL REAL PROPERTY OR RESIDENTIAL REAL
13 PROPERTY ON WHICH IS LOCATED 1 OR MORE STRUCTURES FOR WHICH A
14 CERTIFICATE OF OCCUPANCY HAS BEEN ISSUED ON OR BEFORE THE EFFECTIVE
15 DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION.

16 (B) "NEW CONSTRUCTION" AND "REPLACEMENT CONSTRUCTION" MEAN
17 THOSE TERMS AS DEFINED IN SECTION 34D.