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PA 198: PROCESS EXEMPTION

House Bill 5086
Sponsor: Rep. Mike Green
1st Committee: Local Government
2nd Committee: Tax Policy

Complete to 10-3-95

A SUMMARY OF HOUSE BILL 5086 AS INTRODUCED 9-20-95

The plant rehabilitation and industrial development act (Public Act 198 of 1974) allows local units of government to grant industrial facilities exemption certificates to new facilities and speculative buildings and to replacement facilities. The certificate, generally speaking, grants a property tax abatement to an industrial facility, which then pays a specific tax instead of property taxes. The act contains the process that must be followed and the requirements that must be met for a certificate to be awarded. The act requires, among other things, 1) that the facility be located in a plant rehabilitation district or industrial development district duly established by the local governmental unit before the commencement of the restoration, replacement, or construction of the facility; and 2) that the commencement of the restoration, replacement, or construction of the facility occurred not earlier than six months before the filing of the application for the exemption certificate.

House Bill 5086 would amend the act to make an exception to those requirements. It would specify that those two requirements would not apply to a facility located in an industrial development district owned by a person who filed an application for a certificate in April 1995 that was unanimously supported by the legislative body of the local unit by resolution passed in May 1995.

MCL 207.554

House Bill 5086 (10-3-95)