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BILL



ANALYSIS

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House Bill 5963 (Substitute H-1 as passed by the House)

Sponsor: Representative Robert Brackenridge

House Committee: Local Government

Senate Committee: Economic Development, International Trade and Regulatory Affairs

Date Completed: 9-24-96

### **CONTENT**

The bill would amend the plant rehabilitation and industrial development Act to specify that notwithstanding any other provision of the Act, if, on December 29, 1986, a local unit passed a resolution approving an exemption certificate for 10 years for real and personal property, and the Tax Commission did not receive notice of the local unit's approval until 1995, the Tax Commission would have to issue, for that property, an industrial facilities exemption certificate that began December 30, 1987, and that would end on December 30, 1997. Further, the bill provides that the Act's criteria for industrial facilities tax exemption certificates for applications made after December 31, 1983, would not apply to certain facilities.

The Act specifies that for applications made after December 31, 1983, the commencement of the restoration, replacement, or construction of the facility may not have occurred earlier than six months before the filing of the application for the industrial facilities exemption certificate. The bill specifies that this provision would not apply to a facility located in an existing industrial development district occupied by a person who filed an application for an industrial facilities exemption certificate in June 1995 if the application were approved by the legislative body of the local governmental unit in October 1995 for construction that was commenced in November or December 1994.

MCL 207.557 & 207.559

Legislative Analyst: L. Burghardt

### **FISCAL IMPACT**

This bill would reduce property tax collections for the local governments and school districts specified in the bill, unless abatements were previously issued.

Fiscal Analyst: R. Ross

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.