

HOUSE BILL No. 6330

August 9, 2006, Introduced by Reps. Alma Smith, Tobocman, Hood, Kolb, Hunter, Polidori, Espinoza, Mayes, Vagnozzi, Zelenko, Clack, Kathleen Law, Cushingberry, Plakas, Accavitti, Condino, Angerer, Bennett, Bieda, Leland, Lemmons, Jr., McDowell, Byrum, Gillard, Murphy, Meisner and Lemmons, III and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 10 (MCL 125.2690), as amended by 2005 PA 164.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. (1) An individual who is a resident of a renaissance
2 zone or a business that is located and conducts business activity
3 within a renaissance zone or a person that owns property located in
4 a renaissance zone is not eligible for the exemption, deduction, or
5 credit listed in section 9(1) or (2) for that taxable year if 1 or
6 more of the following apply:

7 (a) The resident, business, or property owner is delinquent on
8 December 31 of the prior tax year under 1 or more of the following:

9 (i) The single business tax act, 1975 PA 228, MCL 208.1 to

1 208.145.

2 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to
3 206.532.

4 (iii) 1974 PA 198, MCL 207.551 to 207.572.

5 (iv) The commercial redevelopment act, 1978 PA 255, MCL 207.651
6 to 207.668.

7 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to
8 125.2123.

9 (vi) 1953 PA 189, MCL 211.181 to 211.182.

10 (vii) The technology park development act, 1984 PA 385, MCL
11 207.701 to 207.718.

12 (viii) Part 511 of the natural resources and environmental
13 protection act, 1994 PA 451, MCL 324.51101 to 324.51120.

14 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL
15 207.771 to 207.786.

16 (x) The city utility users tax act, 1990 PA 100, MCL 141.1151
17 to 141.1177.

18 (b) The resident, business, or property owner is substantially
19 delinquent as defined in a written policy by the qualified local
20 governmental unit in which the renaissance zone is located on
21 December 31 of the prior tax year under 1 or both of the following:

22 (i) The city income tax act, 1964 PA 284, MCL 141.501 to
23 141.787.

24 (ii) Taxes, fees, and special assessments collected under the
25 general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

26 (c) For residential rental property in a renaissance zone, the
27 residential rental property is not in substantial compliance with

1 all applicable state and local zoning, building, and housing laws,
2 ordinances, or codes and, except as otherwise provided in this
3 subdivision, the residential rental property owner has not filed an
4 affidavit before December 31 in the immediately preceding tax year
5 with the local tax collecting unit in which the residential rental
6 property is located as required under section 7ff of the general
7 property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31,
8 2004, a residential rental property owner is not required to file
9 an affidavit if the qualified local governmental unit in which the
10 residential rental property is located determines that the
11 residential rental property is in substantial compliance with all
12 applicable state and local zoning, building, and housing laws,
13 ordinances, and codes on December 31 of the immediately preceding
14 tax year.

15 (D) BEGINNING JANUARY 1, 2006, THAT INDIVIDUAL OR BUSINESS HAS
16 BEEN FOUND GUILTY OF A CRIMINAL VIOLATION OR FOUND RESPONSIBLE FOR
17 A CIVIL VIOLATION UNDER 29 USC 1131 OR 1132 IN THE IMMEDIATELY
18 PRECEDING 10 YEARS FROM THE DATE OF FILING FOR THE EXEMPTION,
19 DEDUCTION, OR CREDIT DESCRIBED IN THIS ACT.

20 (2) An individual who is a resident of a renaissance zone is
21 eligible for an exemption, deduction, or credit under section 9(1)
22 and (2) until the department of treasury determines that the
23 aggregate state and local tax revenue forgone as a result of all
24 exemptions, deductions, or credits granted under this act to that
25 individual reaches \$10,000,000.00.

26 (3) A casino located and conducting business activity within a
27 renaissance zone is not eligible for the exemption, deduction, or

1 credit listed in section 9(1) or (2). Real property in a
2 renaissance zone on which a casino is operated, personal property
3 of a casino located in a renaissance zone, and all property
4 associated or affiliated with the operation of a casino is not
5 eligible for the exemption, deduction, or credit listed in section
6 9(1) or (2). As used in this subsection, "casino" means a casino or
7 a parking lot, hotel, motel, or retail store owned or operated by a
8 casino, an affiliate, or an affiliated company, regulated by this
9 state pursuant to the Michigan gaming control and revenue act, the
10 Initiated Law of 1996, MCL 432.201 to 432.226.

11 (4) For tax years beginning on or after January 1, 1997, an
12 individual who is a resident of a renaissance zone shall not be
13 denied the exemption under subsection (1) if the individual failed
14 to file a return on or before December 31 of the prior tax year
15 under subsection (1)(a)(ii) and that individual was entitled to a
16 refund under that act.

17 (5) BEGINNING JANUARY 1, 2006, AN INDIVIDUAL WHO IS A RESIDENT
18 OF A RENAISSANCE ZONE OR A BUSINESS ENTITY THAT IS LOCATED AND
19 CONDUCTS BUSINESS ACTIVITY WITHIN A RENAISSANCE ZONE OR A PERSON
20 THAT OWNS PROPERTY LOCATED IN A RENAISSANCE ZONE WHO IS FOUND
21 GUILTY OF A CRIMINAL VIOLATION OR FOUND RESPONSIBLE FOR A CIVIL
22 VIOLATION UNDER 29 USC 1131 OR 1132 IS RESPONSIBLE FOR THE PAYMENT
23 OF A PENALTY DESCRIBED IN THIS SUBSECTION. THE PENALTY IS EQUAL TO
24 ALL OF THE EXEMPTIONS, DEDUCTIONS, OR CREDITS THAT THE INDIVIDUAL
25 OR BUSINESS HAS TAKEN UNDER THIS ACT.