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Senate Bill 1266 (as introduced 4-15-10)
Sponsor: Senator Jason E. Allen
Committee: Commerce and Tourism

Date Completed: 5-24-10

CONTENT

The bill would amend the General Property Tax Act to extend, from five years to six years, the property tax exemption on real property sold or conveyed by a land bank, if approved by the local tax collecting unit.

Under the Act, real property sold or otherwise conveyed by a land bank fast track authority under the Land Bank Fast Track Act is exempt from the collection of property taxes beginning on December 31 in the year in which the authority sold or otherwise conveyed the property until December 31 in the year five years after the December 31 on which the exemption was initially granted. Under the bill, if approved by a resolution adopted by the local tax collecting unit, the tax exemption could last until December 31 in the year six years after the December 31 on which the exemption initially was granted.

MCL 211.7gg

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would reduce State and local property tax revenue, and increase State School Aid Fund expenditures, by an unknown amount depending on the specific characteristics of affected property and the number of parcels that received an extension under the bill's provisions. School Aid Fund expenditures would increase in order to maintain per-pupil funding guarantees.

Fiscal Analyst: David Zin

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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.