HOUSE BILL No. 4543

March 10, 2009, Introduced by Rep. Huckleberry 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 2008 PA 242.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

(*i*) Former 1975 PA 228 or the Michigan business tax act, 2007

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PA 36, MCL 208.1101 to 208.1601.

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

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

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

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

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

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

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

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

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

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

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

(*ii*) Taxes, fees, and special assessments collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(c) For residential rental property in a renaissance zone, the residential rental property is not in substantial compliance with all applicable state and local zoning, building, and housing laws, ordinances, or codes and, except as otherwise provided in this subdivision, the residential rental property owner has not filed an affidavit before December 31 in the immediately preceding tax year with the local tax collecting unit in which the residential rental property is located as required under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31, 2004, a residential rental property owner is not required to file an affidavit if the qualified local governmental unit in which the residential rental property is located determines that the residential rental property is in substantial compliance with all applicable state and local zoning, building, and housing laws, ordinances, and codes on December 31 of the immediately preceding tax year.

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

(3) A casino located and conducting business activity within a renaissance zone is not eligible for the exemption, deduction, or credit listed in section 9(1) or (2). Real property in a renaissance zone on which a casino is operated, personal property of a casino located in a renaissance zone, and all property associated or affiliated with the operation of a casino is not eligible for the exemption, deduction, or credit listed in section

9(1) or (2). As used in this subsection, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

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

(5) A business that is located and conducts business activity within a renaissance zone shall not be denied the exemption under subsection (1) if the business failed to file a return on or before December 31 of the prior tax year under subsection (1)(a)(*i*) and that business had no tax liability under that act for the tax year for which the return was not filed.

(6) BEGINNING JANUARY 1, 2010, A QUALIFIED TOOL AND DIE BUSINESS THAT FAILS TO COMPLY WITH SECTION 3 OF THE MICHIGAN CORPORATE RESPONSIBILITY ACT OR THAT FAILS TO DISCLOSE A CIVIL OR CRIMINAL OFFENSE AS REQUIRED BY SECTION 3 OF THE MICHIGAN CORPORATE RESPONSIBILITY ACT IS NOT ELIGIBLE FOR AN EXEMPTION, DEDUCTION, OR CREDIT LISTED IN SECTION 9(1) AND (2).