

HOUSE BILL NO. 5168

October 30, 2025, Introduced by Reps. Snyder, Kelly, Andrews, Alexander, Tate, Herzberg, Neyer, Roth, VanWoerkom, Witwer, Meerman, VanderWall, Liberati and Fitzgerald and referred to Committee on Economic Competitiveness.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
(MCL 205.91 to 205.111) by adding section 4mm.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4mm. (1) Subject to subsection (2), the storage, use, or
2 consumption of tangible personal property sold to either of the
3 following is exempt from the tax under this act:

4 (a) A person for assembly, use, or consumption in connection
5 with a large agricultural processing facility project.

6 (b) A person engaged in the business of constructing,

1 altering, repairing, or improving real estate for others in
2 connection with a large agricultural processing facility project.

3 (2) Tangible personal property described in subsection (1) is
4 exempt from the tax under this act only to the extent the tangible
5 personal property is to be affixed to and made a structural part
6 of, or otherwise made to be an integral part of, the agricultural
7 processing facility to which the project relates or infrastructure
8 improvements for the agricultural processing facility to which the
9 project relates.

10 (3) As used in this section:

11 (a) "Agricultural processing facility" means a facility
12 located in this state that transforms, packages, sorts, or grades
13 livestock or livestock products, agricultural commodities, or
14 plants or plant products, excluding forest products, into goods
15 that are used for intermediate or final consumption, including
16 goods for nonfood use.

17 (b) "Large agricultural processing facility project" or
18 "project" means a project that meets both of the following
19 requirements:

20 (i) The project is for 1 or more of the following purposes:

21 (A) Construction or expansion of an agricultural processing
22 facility.

23 (B) Infrastructure improvements for an agricultural processing
24 facility.

25 (C) Retooling of an agricultural processing facility.

26 (ii) The capital investment in the project is not less than
27 \$100,000,000.00.