

SUBSTITUTE FOR  
SENATE BILL NO. 536

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
(MCL 211.1 to 211.155) by adding section 7tt.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           **SEC. 7TT. (1) THE GOVERNING BODY OF A LOCAL TAX COLLECTING**  
2           **UNIT MAY ADOPT A RESOLUTION TO EXEMPT FROM THE COLLECTION OF TAXES**  
3           **UNDER THIS ACT SPECIFICALLY IDENTIFIED REAL AND PERSONAL PROPERTY**  
4           **OWNED BY AN ELIGIBLE ECONOMIC DEVELOPMENT GROUP AS PROVIDED IN THIS**  
5           **SECTION.**

6           **(2) BEFORE ACTING ON THE RESOLUTION UNDER SUBSECTION (1), THE**  
7           **CLERK OF THE LOCAL TAX COLLECTING UNIT SHALL NOTIFY IN WRITING THE**  
8           **ASSESSOR OF THE LOCAL TAX COLLECTING UNIT AND THE LEGISLATIVE BODY**  
9           **OF EACH TAXING UNIT THAT LEVIES AD VALOREM PROPERTY TAXES IN THE**  
10           **LOCAL TAX COLLECTING UNIT. THE GOVERNING BODY OF THE LOCAL TAX**



1 COLLECTING UNIT SHALL AFFORD THE ASSESSOR AND A REPRESENTATIVE OF  
2 THE AFFECTED TAXING UNITS AN OPPORTUNITY FOR A HEARING BEFORE  
3 ACTING ON THE RESOLUTION UNDER SUBSECTION (1). A COPY OF THE  
4 RESOLUTION ADOPTED UNDER SUBSECTION (1) SHALL BE FILED WITH THE  
5 STATE TAX COMMISSION AND THE STATE TREASURER. A RESOLUTION ADOPTED  
6 UNDER SUBSECTION (1) IS NOT EFFECTIVE UNLESS APPROVED AS PROVIDED  
7 IN SUBSECTION (3).

8 (3) NOT MORE THAN 60 DAYS AFTER RECEIPT OF A COPY OF THE  
9 RESOLUTION ADOPTED BY THE GOVERNING BODY OF A LOCAL TAX COLLECTING  
10 UNIT UNDER SUBSECTION (1), THE STATE TAX COMMISSION SHALL DETERMINE  
11 IF THE REAL AND PERSONAL PROPERTY SUBJECT TO THE EXEMPTION IS OWNED  
12 BY AN ELIGIBLE ECONOMIC DEVELOPMENT GROUP. IF THE STATE TAX  
13 COMMISSION DETERMINES THAT THE REAL AND PERSONAL PROPERTY SUBJECT  
14 TO THE EXEMPTION IS OWNED BY AN ELIGIBLE ECONOMIC DEVELOPMENT  
15 GROUP, THE STATE TREASURER SHALL APPROVE THE RESOLUTION ADOPTED  
16 UNDER SUBSECTION (1) IF THE STATE TREASURER DETERMINES THAT  
17 EXEMPTING THAT REAL AND PERSONAL PROPERTY OF THE ELIGIBLE ECONOMIC  
18 DEVELOPMENT GROUP IS NECESSARY TO REDUCE UNEMPLOYMENT, PROMOTE  
19 ECONOMIC GROWTH, AND INCREASE CAPITAL INVESTMENT IN THIS STATE.

20 (4) THE EXEMPTION UNDER THIS SECTION IS EFFECTIVE ON THE  
21 DECEMBER 31 IMMEDIATELY SUCCEEDING THE ADOPTION OF THE RESOLUTION  
22 BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT UNDER  
23 SUBSECTION (1) AND SHALL CONTINUE IN EFFECT THROUGH DECEMBER 30 IN  
24 THE YEAR 5 YEARS AFTER THE RESOLUTION UNDER SUBSECTION (1) IS  
25 ADOPTED BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT.  
26 HOWEVER, THE GOVERNING BODY OF A LOCAL TAX COLLECTING UNIT MAY BY  
27 RESOLUTION EXTEND THE EXEMPTION OF THAT SPECIFICALLY IDENTIFIED



1 REAL AND PERSONAL PROPERTY OF AN ELIGIBLE ECONOMIC DEVELOPMENT  
2 GROUP UNDER THIS SECTION FOR AN ADDITIONAL 2 YEARS IF THE GOVERNING  
3 BODY OF THE LOCAL TAX COLLECTING UNIT DETERMINES THAT THE ELIGIBLE  
4 ECONOMIC DEVELOPMENT GROUP IS MAKING ADEQUATE PROGRESS IN THE  
5 DEVELOPMENT OF REAL PROPERTY OR IN COMBINING PARCELS OF REAL  
6 PROPERTY FOR ECONOMIC DEVELOPMENT. IF THE GOVERNING BODY OF THE  
7 LOCAL TAX COLLECTING UNIT APPROVES AN EXTENSION OF THE EXEMPTION  
8 UNDER THIS SECTION, THE EXEMPTION SHALL END ON DECEMBER 30 IN THE  
9 YEAR 7 YEARS AFTER THE RESOLUTION UNDER SUBSECTION (1) IS ADOPTED  
10 BY THE GOVERNING BODY OF THE LOCAL TAX COLLECTING UNIT UNDER THIS  
11 SECTION. A COPY OF THE RESOLUTION ADOPTED UNDER THIS SUBSECTION  
12 EXTENDING THE EXEMPTION UNDER THIS SECTION SHALL BE FILED WITH THE  
13 STATE TAX COMMISSION AND THE STATE TREASURER.

14 (5) THE STATE TAX COMMISSION SHALL ANNUALLY REPORT TO THE  
15 SENATE AND HOUSE OF REPRESENTATIVES THE TOTAL NUMBER OF ELIGIBLE  
16 ECONOMIC DEVELOPMENT GROUPS THAT ARE RECEIVING AN EXEMPTION UNDER  
17 THIS SECTION, WHERE THE REAL AND PERSONAL PROPERTY SUBJECT TO THE  
18 EXEMPTION IS LOCATED IN THIS STATE, AND THE TOTAL DOLLAR AMOUNT OF  
19 THE TAX REVENUE FOREGONE AS A RESULT OF THOSE EXEMPTIONS.

20 (6) AS USED IN THIS SECTION, "ELIGIBLE ECONOMIC DEVELOPMENT  
21 GROUP" MEANS A CHARITABLE NONPROFIT ORGANIZATION THE PRIMARY  
22 PURPOSE OF WHICH IS THE ECONOMIC DEVELOPMENT OF REAL PROPERTY OR  
23 COMBINING PARCELS OF REAL PROPERTY FOR ECONOMIC DEVELOPMENT  
24 PURPOSES.

