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GOVERNOR

STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

BRIAN CALLEY
LT. GOVERNOR

December 28, 2018

Michigan Senate
Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I vetoed House Bill 5143 and House Bill 5680. Both bills would have amended the General Property Tax Act in regard to the exemption of alternative energy personal property. Specifically, Enrolled House Bill 5143 would have eliminated the existing certification and exemption-approval process for alternative energy personal property that is conducted by the Michigan Next Energy Authority and local units.

Unfortunately, the bill presented several technical issues that it failed to resolve. For example, the bill would have afforded differential treatment of alternative energy personal property installed before the bill's effective date versus such property installed after that date. Furthermore, the bill would have imposed an \$80,000 true cash value limit for such property installed after the bill's effective date, but was ambiguous concerning the relevant governmental jurisdiction within which the \$80,000 limit would have applied.

Enrolled House Bill 5680 was more straightforward and acceptable. It essentially would have added the installation of alternative energy personal property to the definition of normal maintenance, which now includes replacing or repairing such property. However, House Bill 5680 is tie-barred to House Bill 5143. Because I have vetoed House Bill 5143, House Bill 5680 will not take effect and therefore I am also returning it to you without approval.

Sincerely,



Rick Snyder
Governor