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AGRICULTURAL COOPERATIVES: PERSONAL PROPERTY

**Senate Bill 830 (Substitute H-1)
Addendum to SFA analysis (5-24-00)**

**Sponsor: Sen. Ken Sikkema
Senate Committee: Finance
House Committee: Agriculture and
Resource Management**

ADDENDUM TO SENATE FISCAL AGENCY ANALYSIS OF SB 830 DATED 1-2-00:

HOUSE COMMITTEE ACTION:

The House Committee on Agriculture and Resource Management reported a substitute that takes a different approach from the Senate-passed version but still aims at exempting machinery used to prepare crops for market when owned by a farmers' cooperative.

The General Property Tax Act exempts certain machinery used to prepare the crop for market operated incidental to a farming operation *if not less than 33 percent of the volume of the crops processed in the year or in at least three of the last five years were grown by the farmer in Michigan who is the owner or user of the machinery*. The Senate-passed bill removed the emphasized language from the act. The House substitute would restore that language and would instead exempt the personal property (i.e., the crop processing machinery) of a farmers' cooperative if it would be exempt if owned by a member of the cooperative.

POSITIONS:

There are no positions on the bill.

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.