

# Legislative Analysis

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## TAXATION OF AGRICULTURAL OPERATIONS

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**House Bill 5673**

**Sponsor: Rep. Joe Hune**

**Committee: Agriculture and Resource Management**

**Complete to 4-19-04**

### A SUMMARY OF HOUSE BILL 5673 AS INTRODUCED 3-23-04

Under the General Property Tax Act, some property is classified as agricultural real property, a classification that includes parcels used partially or entirely for certain agricultural operations. The act defines “agricultural operations” to include, among other things, raising livestock, bees, fish, fur-bearing animals, or poultry, and performing any practices on a farm incidental to, or in conjunction with, farming operations. The bill would specify that equine and cervidae are to be included as livestock.

In addition, the term “agricultural operations” includes performing any practices on a farm incidental to, or in conjunction with, farming operations. The act further specifies that a commercial storage, processing, distribution, marketing, or shipping operation is not considered to be part of an agricultural operation. Under the bill, such an operation could be considered a part of an agricultural operation.

MCL 211.34c

### FISCAL IMPACT:

As written, the bill would reduce property taxes by an indeterminate amount.

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