



Senate Fiscal Agency  
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BILL ANALYSIS

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House Bill 5551 (as passed by the House)  
Sponsor: Representative Chris Ward  
House Committee: Tax Policy  
Senate Committee: Finance

Date Completed: 12-1-04

### **CONTENT**

The bill would amend Public Act 189 of 1953 (which provides for the taxation of lessees and users of tax-exempt property) to require that delinquent taxes levied under the Act be collected at the same time and in the same manner as taxes levied on personal property are collected under the General Property Tax Act.

Public Act 189 provides that, with certain exceptions, if real property exempt from ad valorem property taxation is leased, loaned, or otherwise made available to and used in connection with a for-profit business, the lessee or user of the property is subject to taxation (the so-called lessee-user tax) in the same amount and to the same extent as if the lessee or user owned the property.

Presently, taxes levied under the Act must be assessed and collected in the same manner as taxes assessed to owners of real property. Under the bill, taxes levied under the Act would have to be assessed and collected at the same time and in the same manner as taxes collected under the General Property Tax Act.

MCL 211.182

Legislative Analyst: J.P. Finet

### **FISCAL IMPACT**

The bill would have no significant fiscal impact on State or local government.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.