SUBSTITUTE FOR

HOUSE BILL NO. 5342

A bill to amend 1985 PA 224, entitled

"Enterprise zone act,"

by amending section 21c (MCL 125.2121c), as amended by 1998 PA
242.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 21c. **(1)** Property, except a casino, exempted under
2 sections 20(1) and (2), 20a, and 20b that is located in a
3 renaissance zone under the Michigan renaissance zone act, 1996 PA
4 376, MCL 125.2681 to 125.2696, is exempt from the specific taxes
5 levied under this act to the extent and for the duration provided
6 pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL
7 125.2681 to 125.2696, except for that portion of the specific tax
8 levied under this act attributable to a special assessment or a
9 tax described in section 7ff(2) of the general property tax act,
10 1893 PA 206, MCL 211.7ff. The specific tax calculated under this

1 ~~section~~ **subsection** shall be disbursed proportionately to the

2 local taxing unit or units that levied the special assessment or

3 the tax described in section 7ff(2) of the general property tax

4 act, 1893 PA 206, MCL 211.7ff. As used in this ~~section~~

5 **subsection**, "casino" means a casino or a parking lot, hotel,

6 motel, or retail store owned or operated by a casino, an

7 affiliate, or an affiliated company, regulated by this state

8 pursuant to the Michigan gaming control and revenue act, the

9 Initiated Law of 1996, MCL 432.201 to ~~432.216~~ **432.226**.

10   **(2) Upon application for an exemption under this subsection**

11 **by a qualified start-up business, the governing body of a local**

12 **tax collecting unit may adopt a resolution to exempt a facility**

13 **of a qualified start-up business from the collection of the**

14 **specific tax levied under this act. The clerk of the local tax**

15 **collecting unit shall notify in writing the assessor of the local**

16 **tax collecting unit and the legislative body of each taxing unit**

17 **that levies ad valorem property taxes in the local tax collecting**

18 **unit. Before acting on the resolution, the governing body of the**

19 **local tax collecting unit shall afford the assessor and a**

20 **representative of the affected taxing units an opportunity for a**

21 **hearing. The application for exemption under this subsection**

22 **shall be in a form prescribed by the state tax commission. If a**

23 **resolution authorizing the exemption is adopted as provided in**

24 **this subsection, the facility owned or operated by a qualified**

25 **start-up business is exempt from the specific tax levied under**

26 **this act, except for that portion of the specific tax**

27 **attributable to a special assessment or a tax described in**

House Bill No. 5342 (H-2) as amended April 27, 2004

1 section 7ff(2) of the general property tax act, 1893 PA 206,

2 MCL 211.7ff, for 5 consecutive years beginning on the December 31

3 in the year in which the qualified start-up business first

4 claimed the credit under section 31a of the single business tax

5 act, 1975 PA 228, MCL 208.31a, or section 51f of the income tax

6 act of 1967, 1967 PA 281, MCL 206.51f. A qualified start-up

7 business exempt under this subsection shall file an exemption

8 affidavit with the assessor of the local tax collecting unit.

9 The exemption affidavit shall be filed within 60 days of the

10 qualified start-up business becoming exempt under this

11 subsection. The affidavit shall be in a form prescribed by the

12 state tax commission. The specific tax calculated under this

13 subsection shall be disbursed proportionately to the taxing unit

14 or units that levied the special assessment or the tax described

15 in section 7ff(2) of the general property tax act, 1893 PA 206,

16 MCL 211.7ff. As used in this subsection, "qualified start-up

17 business" means that term as defined in section 31a of the single

18 business tax act, 1975 PA 228, MCL 208.31a.

[Enacting section 1. This amendatory act does not take effect unless House Bill No. 5331 of the 92nd Legislature is enacted into law.]