

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5349

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 3, 6, 8a, and 10 (MCL 125.2683, 125.2686,
125.2688a, and 125.2690), section 3 as amended by 2010 PA 64,
sections 6 and 10 as amended by 2008 PA 242, and section 8a as
amended by 2008 PA 116, and by adding section 8h.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Agricultural processing facility" means 1 or more
3 facilities or operations that transform, package, sort, or grade
4 livestock or livestock products, agricultural commodities, or
5 plants or plant products, excluding forest products, into goods
6 that are used for intermediate or final consumption including goods
7 for nonfood use, and surrounding property.

1 (b) "Board" means the state administrative board created in
2 1921 PA 2, MCL 17.1 to 17.3.

3 (c) "Border crossing facility" means a business that is 1 or
4 more of the following as determined by the board of the Michigan
5 strategic fund:

6 (i) That was located in a qualified border local governmental
7 unit as defined in section 8g and was displaced or otherwise
8 negatively affected by the development of the international border
9 crossing and is unable to recover from the displacement or negative
10 effect without the establishment of a renaissance zone.

11 (ii) That is associated with international trade, shipping, or
12 freight hauling, including, but not limited to, all of the
13 following:

14 (A) Customs brokers.

15 (B) Distribution centers.

16 (C) Truck supply and repair.

17 (d) "Development plan" means a written plan that addresses the
18 criteria in section 7 and includes all of the following:

19 (i) A map of the proposed renaissance zone that indicates the
20 geographic boundaries, the total area, and the present use and
21 conditions generally of the land and structures within those
22 boundaries.

23 (ii) Evidence of community support and commitment from
24 residential and business interests.

25 (iii) A description of the methods proposed to increase economic
26 opportunity and expansion, facilitate infrastructure improvement,
27 and identify job training opportunities.

1 (iv) Current social, economic, and demographic characteristics
2 of the proposed renaissance zone and anticipated improvements in
3 education, health, human services, public safety, and employment if
4 the renaissance zone is created.

5 (v) Any other information required by the board.

6 (e) "Elected county executive" means the elected county
7 executive in a county organized under 1966 PA 293, MCL 45.501 to
8 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

9 (F) "ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS A BUSINESS ENGAGED
10 IN THE SHIPMENT OF TANGIBLE PERSONAL PROPERTY VIA MULTIMODAL
11 COMMERCE; A SUPPLY CHAIN BUSINESS PROVIDING A MAJORITY OF ITS
12 SERVICES TO BUSINESSES ENGAGED IN THE SHIPMENT OF TANGIBLE PERSONAL
13 PROPERTY, INCLUDING INVENTORY, VIA MULTIMODAL COMMERCE; A
14 MANUFACTURING OR ASSEMBLY FACILITY RECEIVING A MAJORITY OF ITS
15 PRODUCTION COMPONENTS VIA MULTIMODAL COMMERCE; A MANUFACTURING OR
16 ASSEMBLY FACILITY SHIPPING A MAJORITY OF PRODUCTS VIA MULTIMODAL
17 COMMERCE; OR A LIGHT MANUFACTURING OR ASSEMBLY FACILITY THAT
18 PACKAGES, KITS, LABELS, OR CUSTOMIZES PRODUCTS AND SHIPS THOSE
19 PRODUCTS VIA MULTIMODAL COMMERCE.

20 (G) ~~(f)~~—"Forest products processing facility" means 1 or more
21 facilities or operations that transform, package, sort, recycle, or
22 grade forest or paper products into goods that are used for
23 intermediate or final use or consumption or for the creation of
24 biomass or alternative fuels through the utilization of forest
25 products or forest residue, and surrounding property. Forest
26 products processing facility does not include an existing facility
27 or operation that is located in this state that relocates to a

1 renaissance zone for a forest products processing facility. Forest
2 products processing facility does not include a facility or
3 operation that engages primarily in retail sales.

4 (H) ~~(g)~~—"Local governmental unit" means a county, city,
5 village, ~~or~~ township, OR, FOR TAXES LEVIED AFTER 2009, ANY OTHER
6 TAXING JURISDICTION THAT LEVIES AN AD VALOREM PROPERTY TAX.

7 (I) "MULTIMODAL COMMERCE" MEANS THE MOVEMENT OF PRODUCTS OR
8 SERVICES VIA 2 OR MORE OF THE FOLLOWING:

9 (i) AIR.

10 (ii) ROAD.

11 (iii) RAIL.

12 (iv) WATER.

13 (J) "NEXT MICHIGAN DEVELOPMENT CORPORATION" MEANS THAT TERM AS
14 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

15 (K) "NEXT MICHIGAN DEVELOPMENT DISTRICT" MEANS THAT TERM AS
16 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

17 (L) "NEXT MICHIGAN RENAISSANCE ZONE" MEANS A RENAISSANCE ZONE
18 CREATED UNDER SECTION 8H.

19 (M) ~~(h)~~—"Person" means an individual, partnership,
20 corporation, association, limited liability company, governmental
21 entity, or other legal entity.

22 (N) "QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS AN
23 ELIGIBLE NEXT MICHIGAN BUSINESS THAT HAS BEEN CERTIFIED IN
24 ACCORDANCE WITH SECTION 8H.

25 (O) ~~(i)~~—"Qualified local governmental unit" means either of
26 the following:

27 (i) A county.

1 (ii) A city, village, or township that contains an eligible
2 distressed area as defined in section 11 of the state housing
3 development authority act of 1966, 1966 PA 346, MCL 125.1411.

4 (P) ~~(j)~~—"Recovery zone" means a tool and die renaissance
5 recovery zone created in section 8d.

6 (Q) ~~(k)~~—"Renaissance zone" means a geographic area designated
7 under this act.

8 (R) ~~(l)~~—"Renewable energy facility" means a facility that
9 creates energy, fuels, or chemicals directly from the wind, the
10 sun, trees, grasses, biosolids, algae, agricultural commodities,
11 processed products from agricultural commodities, or residues from
12 agricultural processes, wood or forest processes, food production
13 and processing, or the paper products industry. Renewable energy
14 facility also includes a facility that creates energy, fuels, or
15 chemicals from solid biomass, animal wastes, or landfill gases.
16 Renewable energy facility also includes a facility that focuses on
17 research, development, or manufacturing of systems or components of
18 systems used to create energy, fuel, or chemicals from the items
19 described in this subdivision. Renewable energy facility also
20 includes a facility that focuses on research, development, or
21 manufacturing of systems or components of systems that involve the
22 conversion of chemical energy for advanced battery technology.

23 (S) ~~(m)~~—"Residential rental property" means that term as
24 defined in section 7ff of the general property tax act, 1893 PA
25 206, MCL 211.7ff.

26 (T) ~~(n)~~—"Review board" means the renaissance zone review board
27 created in section 5.

1 (U) ~~(e)~~—"Rural area" means an area that lies outside of the
2 boundaries of an urban area.

3 (V) ~~(p)~~—"Urban area" means an urbanized area as determined by
4 the economics and statistics administration, United States bureau
5 of the census according to the 1990 census.

6 Sec. 6. (1) The board shall review all recommendations
7 submitted by the review board and determine which applications meet
8 the criteria contained in section 7.

9 (2) The board shall do all of the following:

10 (a) Designate renaissance zones.

11 (b) Subject to subsection (3), approve or reject the duration
12 of renaissance zone status.

13 (c) Subject to subsection (3), approve or reject the
14 geographic boundaries and the total area of the renaissance zone as
15 submitted in the application.

16 (3) The board shall not alter the geographic boundaries of the
17 renaissance zone or the duration of renaissance zone status
18 described in the application unless the qualified local
19 governmental unit or units and the local governmental unit or units
20 in which the renaissance zone is to be located consent by
21 resolution to the alteration.

22 (4) The board shall not designate a renaissance zone under
23 section 8 before November 1, 1996 or after December 31, 1996.

24 (5) Except as otherwise provided in this subsection, the
25 designation of a renaissance zone under this act shall take effect
26 on January 1 in the year following designation. However, for
27 purposes of the taxes exempted under section 9(2), the designation

1 of a renaissance zone under this act shall take effect on December
2 31 in the year of designation. For designations made pursuant to
3 section 8a(2), the board of the Michigan strategic fund may choose
4 a beginning date, provided that the date must be January 1 of a
5 year and must not be more than 5 years after the date of
6 designation. The board of the Michigan strategic fund may provide
7 that the January 1 beginning date be determined under a written
8 agreement between the board of the Michigan strategic fund and the
9 qualified local governmental unit in which the renaissance zone is
10 to be located. However, for purposes of the taxes exempted under
11 section 9(2), the designation of a renaissance zone under section
12 8a(2) shall take effect on December 31 in the year immediately
13 preceding the year in which the designation under section 8a(2)
14 takes effect.

15 (6) The board shall not designate a renaissance zone under
16 section 8a after December 31, 2002.

17 (7) Through December 31, 2002, a qualified local governmental
18 unit in which a renaissance zone was designated under section 8 or
19 8a may modify the boundaries of that renaissance zone to include
20 contiguous parcels of property as determined by the qualified local
21 governmental unit and approval by the review board. The additional
22 contiguous parcels of property included in a renaissance zone under
23 this subsection do not constitute an additional distinct geographic
24 area under section 4(1)(d). If the boundaries of the renaissance
25 zone are modified as provided in this subsection, the additional
26 contiguous parcels of property shall become part of the original
27 renaissance zone on the same terms and conditions as the original

1 designation of that renaissance zone.

2 (8) Notwithstanding any other provisions of this act, before
3 July 1, 2004, a qualified local governmental unit in which a
4 renaissance zone was designated under section 8a(1) as a
5 renaissance zone located in a rural area may modify the boundaries
6 of that renaissance zone to include a contiguous parcel of property
7 as determined by the qualified local governmental unit. The
8 contiguous parcel of property shall only include property that is
9 less than .5 acres in size and that the qualified local
10 governmental unit previously sought to have included in the zone by
11 submitting an application in February 2002 that was not acted upon
12 by the review board. The additional contiguous parcel of property
13 included in a renaissance zone under this subsection does not
14 constitute an additional distinct geographic area under section
15 4(1)(d). If the boundaries of the renaissance zone are modified as
16 provided in this subsection, the additional contiguous parcel of
17 property shall become part of the original renaissance zone on the
18 same terms and conditions as the rest of the property in that
19 renaissance zone.

20 (9) A business that is located and conducts business activity
21 within a renaissance zone designated under this act, except as
22 designated under section 8a(2) **BEFORE DECEMBER 1, 2010**, shall not
23 make a payment in lieu of taxes to any taxing jurisdiction within
24 the qualified local governmental unit in which the renaissance zone
25 is located.

26 (10) Notwithstanding any other provisions of this act, before
27 July 1, 2006, a qualified local governmental unit in which a

1 renaissance zone of less than 50 contiguous acres but more than 20
2 contiguous acres was designated under section 8 or 8a as a
3 renaissance zone in a city located in a county with a population of
4 more than 160,000 and less than 170,000 may modify the boundaries
5 of that renaissance zone to include a contiguous parcel of property
6 as determined by the qualified local governmental unit. The
7 contiguous parcel of property shall only include property that is
8 less than 12 acres in size. The additional contiguous parcel of
9 property included in a renaissance zone under this subsection does
10 not constitute an additional distinct geographic area under section
11 4(1)(d). If the boundaries of the renaissance zone are modified as
12 provided in this subsection, the additional contiguous parcel of
13 property shall become part of the original renaissance zone on the
14 same terms and conditions as the rest of the property in that
15 renaissance zone.

16 (11) Notwithstanding any other provisions of this act, before
17 July 1, 2006, a qualified local governmental unit in which a
18 renaissance zone of more than 500 acres was designated under
19 section 8 or 8a as a renaissance zone in a county with a population
20 of more than 61,000 and less than 64,000 may modify the boundaries
21 of that renaissance zone to include a contiguous parcel of property
22 as determined by the qualified local governmental unit. The
23 contiguous parcel of property shall only include property that is
24 less than 12 acres in size. The additional contiguous parcel of
25 property included in a renaissance zone under this subsection does
26 not constitute an additional distinct geographic area under section
27 4(1)(d). If the boundaries of the renaissance zone are modified as

1 provided in this subsection, the additional contiguous parcel of
2 property shall become part of the original renaissance zone on the
3 same terms and conditions as the rest of the property in that
4 renaissance zone.

5 (12) Notwithstanding any other provisions of this act, before
6 July 1, 2006, a qualified local governmental unit in which a
7 renaissance zone of more than 137 acres was designated under
8 section 8 or 8a as a renaissance zone in a county with a population
9 of more than 61,000 and less than 63,000 may modify the boundaries
10 of that renaissance zone to include a parcel of property that is
11 separated from the existing renaissance zone by a roadway as
12 determined by the qualified local governmental unit. The parcel of
13 property shall only include property that is less than 67 acres in
14 size. The additional contiguous parcel of property included in a
15 renaissance zone under this subsection does not constitute an
16 additional distinct geographic area under section 4(1)(d). If the
17 boundaries of the renaissance zone are modified as provided in this
18 subsection, the additional contiguous parcel of property shall
19 become part of the original renaissance zone on the same terms and
20 conditions as the rest of the property in that renaissance zone.

21 Sec. 8a. (1) Except as provided in subsections (2), (3), and
22 (4), the board shall not designate more than 9 additional
23 renaissance zones within this state under this section. Not more
24 than 6 of the renaissance zones shall be located in urban areas and
25 not more than 5 of the renaissance zones shall be located in rural
26 areas. For purposes of determining whether a renaissance zone is
27 located in an urban area or rural area under this section, if any

1 part of a renaissance zone is located within an urban area, the
2 entire renaissance zone shall be considered to be located in an
3 urban area.

4 (2) The board of the Michigan strategic fund described in
5 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL
6 125.2004, may designate not more than ~~17~~**27** additional renaissance
7 zones within this state in 1 or more cities, villages, or townships
8 if that city, village, or township or combination of cities,
9 villages, or townships consents to the creation of a renaissance
10 zone within their boundaries. The board of the Michigan strategic
11 fund may designate not more than 1 of the ~~17~~**27** additional
12 renaissance zones described in this subsection as an alternative
13 energy zone. An alternative energy zone shall promote and increase
14 the research, development, testing, and manufacturing of
15 alternative energy technology, alternative energy systems, and
16 alternative energy vehicles, as those terms are defined in the
17 Michigan next energy authority act, 2002 PA 593, MCL 207.821 to
18 207.827. An alternative energy zone shall have a duration of
19 renaissance zone status for a period not to exceed 20 years as
20 determined by the board of the Michigan strategic fund. The board
21 of the Michigan strategic fund may designate not more than 8 of the
22 additional ~~17~~**27** renaissance zones described in this subsection as
23 a redevelopment renaissance zone. A redevelopment renaissance zone
24 shall promote the redevelopment of existing industrial facilities
25 or the development of property for industrial purposes. The board
26 of the Michigan strategic fund may designate not more than 1 of the
27 ~~17~~**27** additional renaissance zones described in this subsection as

1 a pharmaceutical recovery renaissance zone. A pharmaceutical
2 recovery renaissance zone shall promote the development or
3 redevelopment of existing underutilized facilities currently
4 occupied or formerly occupied by a pharmaceutical company. Before
5 designating a renaissance zone under this subsection, the board of
6 the Michigan strategic fund may enter into a development agreement
7 with the city, township, or village in which the renaissance zone
8 will be located and the owner or developer of the facility or
9 property located in the renaissance zone. The development agreement
10 for a redevelopment renaissance zone described only in subsection
11 (6)(b)(vi) or (vii) may provide for the payment of 1 or more of the
12 taxes described in section 9. **NOT FEWER THAN 3 OF THE 10 ADDITIONAL**
13 **RENAISSANCE ZONES CREATED UNDER THIS SUBSECTION ON OR AFTER**
14 **DECEMBER 1, 2010 SHALL BE LOCATED IN RURAL AREAS. UNTIL THE MAXIMUM**
15 **NUMBER OF QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESSES ARE CERTIFIED**
16 **UNDER SECTION 8H(10), THE BOARD SHALL NOT DESIGNATE AN ADDITIONAL**
17 **RENAISSANCE ZONE UNDER THIS SUBSECTION IF THAT ADDITIONAL**
18 **RENAISSANCE ZONE WOULD INCLUDE A BUSINESS THAT IS AN ELIGIBLE NEXT**
19 **MICHIGAN BUSINESS THAT IS ELIGIBLE TO BE CERTIFIED AS A QUALIFIED**
20 **ELIGIBLE NEXT MICHIGAN BUSINESS UNDER THIS ACT.**

21 (3) In addition to the not more than 9 additional renaissance
22 zones described in subsection (1), the board may designate
23 additional renaissance zones within this state in 1 or more
24 qualified local governmental units if that qualified local
25 governmental unit or units contain a military installation that was
26 operated by the United States department of defense and was closed
27 in 1977 or after 1990.

1 (4) Land owned by a county or the qualified local governmental
2 unit or units adjacent to a zone as described in subsection (3) may
3 be included in this zone.

4 (5) Notwithstanding any other provision of this act, property
5 located in the alternative energy zone that is classified as
6 commercial real property under section 34c of the general property
7 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the
8 concurrence of the assessor of the local tax collecting unit,
9 determines is not used to directly promote and increase the
10 research, development, testing, and manufacturing of alternative
11 energy technology, alternative energy systems, and alternative
12 energy vehicles as those terms are defined in the Michigan next
13 energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not
14 eligible for any exemption, deduction, or credit under section 9.

15 (6) As used in this section:

16 (a) "Pharmaceutical recovery renaissance zone" means a
17 renaissance zone that includes a geographic area that is located in
18 1 or both of the following:

19 (i) In a city with a population of more than 70,000 and less
20 than 85,000 and in a county with a population of more than 235,000
21 and less than 250,000.

22 (ii) In a city with a population of more than 42,000 and less
23 than 55,000 and in a county with a population of more than 235,000
24 and less than 250,000.

25 (b) "Redevelopment renaissance zone" means a renaissance zone
26 that meets 1 of the following:

27 (i) All of the following:

1 (A) Is located in a city with a population of more than 7,500
2 and less than 8,500 and is located in a county with a population of
3 more than 60,000 and less than 70,000.

4 (B) Contains only all or a portion of an industrial site of
5 200 or more acres.

6 (ii) All of the following:

7 (A) Is located in a city with a population of more than 13,000
8 and less than 14,000 and is located in a county with a population
9 of more than 1,000,000 and less than 1,300,000.

10 (B) Contains only all or a portion of an industrial site of
11 300 or more contiguous acres.

12 (iii) All of the following:

13 (A) Is located in a township with a population of more than
14 5,500 and is located in a county with a population of less than
15 24,000.

16 (B) Contains only all or a portion of an industrial site of
17 more than 850 acres and has railroad access.

18 (iv) All of the following:

19 (A) Is located in a city with a population of more than 40,000
20 and less than 44,000 and is located in a county with a population
21 of more than 81,000 and less than 87,000.

22 (B) Contains only all or a portion of an industrial site of
23 more than 475 acres.

24 (v) All of the following:

25 (A) Is located in a city with a population of more than 21,000
26 and less than 26,000 and is located in a county with a population
27 of more than 573,000 and less than 625,000.

1 (B) Contains only all or a portion of an industrial site of
2 less than 45 acres in size.

3 (vi) All of the following:

4 (A) Is located in a city with a population of more than
5 190,000 and less than 250,000 and is located in a county with a
6 population of more than 573,000 and less than 625,000.

7 (B) Contains only all or a portion of an industrial site of
8 more than 14 acres and less than 16 acres in size.

9 (C) Is approved by the board of the Michigan strategic fund on
10 or before April 1, 2007.

11 (vii) All of the following:

12 (A) Is located in a city with a population of more than 35,500
13 and less than 36,800 and is located in a county with a population
14 of more than 157,000 and less than 162,000.

15 (B) Contains only all or a portion of an industrial site
16 comprised of 1 or more adjacent parcels totaling 5 or more acres.

17 (C) Is approved by the board of the Michigan strategic fund on
18 or before April 1, 2007.

19 (viii) All of the following:

20 (A) Is located in a city with a population of more than 40,000
21 and less than 44,000 and is located in a county with a population
22 of more than 81,000 and less than 87,000.

23 (B) Contains only all or a portion of an industrial site
24 composed of 1 or more adjacent parcels totaling 100 or more acres.

25 (C) Is approved by the board of the Michigan strategic fund on
26 or before April 1, 2008.

27 **SEC. 8H. (1) THE BOARD OF THE MICHIGAN STRATEGIC FUND**

1 DESCRIBED IN SECTION 4 OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA
2 270, MCL 125.2004, UPON THE APPLICATION OF A NEXT MICHIGAN
3 DEVELOPMENT CORPORATION, MAY DESIGNATE NEXT MICHIGAN RENAISSANCE
4 ZONES FOR ELIGIBLE NEXT MICHIGAN BUSINESSES WITHIN THE BOUNDARIES
5 OF A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER OF NEXT
6 MICHIGAN RENAISSANCE ZONES TO BE DESIGNATED FOR A NEXT MICHIGAN
7 DEVELOPMENT DISTRICT THAT DOES NOT INCLUDE AN ELIGIBLE URBAN ENTITY
8 AS DEFINED IN THE NEXT MICHIGAN DEVELOPMENT ACT SHALL EQUAL THE
9 CUMULATIVE NUMBER OF INITIAL OR SUBSEQUENT LOCAL GOVERNMENTAL UNIT
10 PARTIES TO THE NEXT MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL
11 AGREEMENT, PLUS 1 ADDITIONAL NEXT MICHIGAN RENAISSANCE ZONE FOR
12 EACH COUNTY PARTY TO THE INTERLOCAL AGREEMENT, BUT SHALL NOT EXCEED
13 12 FOR EACH NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER OF NEXT
14 MICHIGAN RENAISSANCE ZONES TO BE DESIGNATED FOR A NEXT MICHIGAN
15 DEVELOPMENT DISTRICT THAT INCLUDES AN ELIGIBLE URBAN ENTITY AS
16 DEFINED IN THE NEXT MICHIGAN DEVELOPMENT ACT SHALL NOT EXCEED 12 AS
17 DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. THE
18 NUMBER SHALL NOT BE REDUCED ON ACCOUNT OF A REDUCTION IN THE NUMBER
19 OF LOCAL GOVERNMENT UNIT PARTIES TO THE INTERLOCAL AGREEMENT FROM
20 TIME TO TIME. THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
21 RECOMMENDATIONS TO THE BOARD OF THE MICHIGAN STRATEGIC FUND AS TO
22 WHICH AREAS SHALL BE DESIGNATED AS NEXT MICHIGAN RENAISSANCE ZONES
23 FOR ELIGIBLE NEXT MICHIGAN BUSINESSES UNDER THIS ACT. THE AGGREGATE
24 TERRITORY OF ALL NEXT MICHIGAN RENAISSANCE ZONES DESIGNATED FOR A
25 NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL NOT EXCEED THE LESSER
26 OF 200 ACRES TIMES THE NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES
27 DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT CORPORATION OR 1,675

1 ACRES. A NEXT MICHIGAN RENAISSANCE ZONE SHALL HAVE A DURATION OF
2 RENAISSANCE ZONE STATUS FOR A PERIOD OF NOT LESS THAN 5 YEARS AND
3 NOT MORE THAN 10 YEARS AS DETERMINED BY THE BOARD OF THE MICHIGAN
4 STRATEGIC FUND. EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, IF THE
5 BOARD OF THE MICHIGAN STRATEGIC FUND DETERMINES THAT THE DURATION
6 OF RENAISSANCE ZONE STATUS FOR A NEXT MICHIGAN RENAISSANCE ZONE IS
7 LESS THAN 10 YEARS, THEN THE BOARD OF THE MICHIGAN STRATEGIC FUND,
8 WITH THE CONSENT OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND
9 WITH THE CONSENT OF THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE
10 NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED, MAY EXTEND THE DURATION
11 OF RENAISSANCE ZONE STATUS FOR THE NEXT MICHIGAN RENAISSANCE ZONE
12 FOR 1 OR MORE PERIODS THAT WHEN COMBINED DO NOT EXCEED 10 YEARS.

13 (2) THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
14 RECOMMENDATIONS TO THE BOARD OF THE MICHIGAN STRATEGIC FUND TO
15 CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE
16 NEXT MICHIGAN BUSINESS ENTITLED TO THE EXEMPTIONS, DEDUCTIONS, OR
17 CREDITS AS PROVIDED IN SECTION 9. UPON THE RECOMMENDATION OF A NEXT
18 MICHIGAN DEVELOPMENT CORPORATION AND SUBJECT TO SUBSECTION (10),
19 THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY DETERMINE WHETHER AN
20 ELIGIBLE NEXT MICHIGAN BUSINESS SHOULD RECEIVE THE BENEFITS OF A
21 RENAISSANCE ZONE AND CERTIFY THAT ELIGIBLE NEXT MICHIGAN BUSINESS
22 AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS UNDER THIS ACT AND
23 SUBJECT TO A WRITTEN AGREEMENT AS PROVIDED IN SUBSECTION (8). THE
24 BOARD OF THE MICHIGAN STRATEGIC FUND SHALL ESTABLISH A STANDARD
25 PROCESS TO EVALUATE APPLICATIONS FOR CERTIFICATION AS A QUALIFIED
26 ELIGIBLE NEXT MICHIGAN BUSINESS AND SHALL APPOINT A COMMITTEE TO
27 REVIEW THE APPLICATIONS. THE STANDARD APPLICATION PROCESS DEVELOPED

1 BY THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL BE APPROVED BY A
2 RESOLUTION OF THE BOARD OF THE MICHIGAN STRATEGIC FUND BEFORE AN
3 ELIGIBLE NEXT MICHIGAN BUSINESS IS CERTIFIED AS A QUALIFIED
4 ELIGIBLE NEXT MICHIGAN BUSINESS. THE BOARD OF THE MICHIGAN
5 STRATEGIC FUND SHALL CERTIFY OR DENY THE APPLICATION TO CERTIFY AN
6 ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT
7 MICHIGAN BUSINESS WITHIN 49 DAYS OF RECEIPT OF THE APPLICATION THAT
8 IS COMPLETE IN ALL MATERIAL RESPECTS AS DETERMINED BY THE PRESIDENT
9 OF THE MICHIGAN STRATEGIC FUND. IF THE BOARD OF THE MICHIGAN
10 STRATEGIC FUND FAILS TO CERTIFY OR DENY THE APPLICATION FOR
11 CERTIFICATION WITHIN 49 DAYS OF RECEIPT OF THE APPLICATION THAT IS
12 COMPLETE IN ALL MATERIAL RESPECTS AS DETERMINED BY THE PRESIDENT OF
13 THE MICHIGAN STRATEGIC FUND, THE APPLICATION FOR CERTIFICATION IS
14 CONSIDERED APPROVED. IF THE BOARD OF THE MICHIGAN STRATEGIC FUND
15 DENIES THE APPLICATION FOR CERTIFICATION, THE APPLICANT MAY APPEAL
16 THAT DENIAL TO THE BOARD OF THE MICHIGAN STRATEGIC FUND FOR
17 RECONSIDERATION. THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND SHALL
18 NOTIFY THE NEXT MICHIGAN DEVELOPMENT CORPORATION THAT THE MICHIGAN
19 STRATEGIC FUND HAS CERTIFIED A QUALIFIED ELIGIBLE NEXT MICHIGAN
20 BUSINESS IN A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NEXT MICHIGAN
21 DEVELOPMENT CORPORATION SHALL DEVELOP AN APPLICATION PROCESS FOR
22 ELIGIBLE NEXT MICHIGAN BUSINESSES, WHICH PROCESS SHALL BE APPROVED
23 BY THE BOARD OF THE MICHIGAN STRATEGIC FUND. A NEXT MICHIGAN
24 DEVELOPMENT CORPORATION SHALL NOT USE THE INCENTIVES PROVIDED IN
25 THIS ACT PRIMARILY TO RECRUIT AN ELIGIBLE NEXT MICHIGAN BUSINESS TO
26 RELOCATE FROM A LOCATION IN THIS STATE TO ANOTHER LOCATION IN THIS
27 STATE. A NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL NOT RECOMMEND

1 AND THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY AN
2 ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT
3 MICHIGAN BUSINESS UNLESS THAT ELIGIBLE NEXT MICHIGAN BUSINESS OPENS
4 A NEW LOCATION IN THIS STATE, LOCATES IN THIS STATE, OR IS AN
5 EXISTING BUSINESS LOCATED IN THIS STATE THAT WILL MATERIALLY EXPAND
6 ITS BUSINESS IN THIS STATE AS DETERMINED BY THE BOARD OF THE
7 MICHIGAN STRATEGIC FUND. HOWEVER, THE BOARD OF THE MICHIGAN
8 STRATEGIC FUND SHALL NOT CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS
9 AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IF THE PRINCIPAL
10 ECONOMIC EFFECT OF THE EXPANSION OR LOCATION OF THE ELIGIBLE NEXT
11 MICHIGAN BUSINESS INTO A NEXT MICHIGAN DEVELOPMENT DISTRICT IS THE
12 TRANSFER OF EMPLOYMENT FROM 1 OR MORE CITIES, VILLAGES, OR
13 TOWNSHIPS IN THIS STATE TO THE NEXT MICHIGAN DEVELOPMENT DISTRICT
14 AND EACH ORDER OR RESOLUTION CERTIFYING AN ELIGIBLE NEXT MICHIGAN
15 BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS SHALL
16 CONTAIN AN EXPRESS FINDING, BASED UPON COMPETENT AND MATERIAL
17 EVIDENCE IN THE RECORD, OF COMPLIANCE WITH THE REQUIREMENTS OF THIS
18 SUBSECTION. ANY TRANSFER OF EMPLOYMENT FROM 1 OR MORE CITIES,
19 VILLAGES, AND TOWNSHIPS IN THIS STATE TO A NEXT MICHIGAN
20 DEVELOPMENT DISTRICT RESULTING FROM THE EXPANSION OR LOCATION OF AN
21 ELIGIBLE NEXT MICHIGAN BUSINESS INTO A NEXT MICHIGAN DEVELOPMENT
22 DISTRICT IN WHICH THE AGGREGATE NUMBER OF TRANSFERRED FULL-TIME
23 EMPLOYEES IS LESS THAN 15% OF THE TOTAL NUMBER OF FULL-TIME
24 EMPLOYEES PROPOSED TO BE LOCATED IN THE NEXT MICHIGAN DEVELOPMENT
25 DISTRICT BY THE ELIGIBLE NEXT MICHIGAN BUSINESS SHALL BE
26 CONCLUSIVELY PRESUMED TO NOT BE A PRINCIPAL ECONOMIC EFFECT OF THE
27 EXPANSION OR LOCATION. IN THE EVENT THAT A TRANSFER OF EMPLOYMENT

1 WILL OCCUR RESULTING FROM THE EXPANSION OR LOCATION OF AN ELIGIBLE
2 NEXT MICHIGAN BUSINESS INTO A NEXT MICHIGAN DEVELOPMENT DISTRICT,
3 THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL PROVIDE WRITTEN
4 NOTICE OF THE ORDER OR RESOLUTION CERTIFYING THE ELIGIBLE NEXT
5 MICHIGAN BUSINESS AS A QUALIFYING NEXT MICHIGAN BUSINESS TO THE
6 CHIEF EXECUTIVE OFFICER OF EACH COUNTY, CITY, VILLAGE, AND TOWNSHIP
7 FROM WHICH THE TRANSFER OF EMPLOYMENT WILL OCCUR WITHIN 10 DAYS OF
8 THE ORDER OR RESOLUTION CERTIFYING THE QUALIFIED ELIGIBLE NEXT
9 MICHIGAN BUSINESS. THE CHIEF EXECUTIVE OFFICER OF EACH COUNTY,
10 CITY, VILLAGE, AND TOWNSHIP NOTIFIED UNDER THIS SUBSECTION SHALL
11 HAVE 30 DAYS TO FILE AN APPEAL OF THE CERTIFICATION WITH THE BOARD
12 OF THE MICHIGAN STRATEGIC FUND. THE BOARD OF THE MICHIGAN STRATEGIC
13 FUND SHALL DECIDE THE APPEAL WITHIN 45 DAYS OF THE RECEIPT OF THE
14 APPEAL. THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY
15 AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT
16 MICHIGAN BUSINESS IF THE BUSINESS APPLICANT HAS BEEN CONVICTED OF A
17 FELONY AND THE BOARD OF THE MICHIGAN STRATEGIC FUND HAS DETERMINED
18 THAT THE CONVICTION WILL HAVE A MATERIAL IMPACT ON THE BUSINESS
19 APPLICANT'S ABILITY TO FULFILL ITS OBLIGATIONS UNDER THIS ACT. AS
20 USED IN THIS SUBSECTION, THE BUSINESS APPLICANT INCLUDES THE
21 BUSINESS ENTITY, AFFILIATES, SUBSIDIARIES, OFFICERS, DIRECTORS,
22 MANAGERIAL EMPLOYEES, AND ANY PERSON WHO, DIRECTLY OR INDIRECTLY,
23 HOLDS A PECUNIARY INTEREST IN THAT BUSINESS ENTITY OF 20% OR MORE.

24 (3) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
25 THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY MODIFY AN EXISTING
26 NEXT MICHIGAN RENAISSANCE ZONE TO ADD ADDITIONAL PROPERTY UNDER THE
27 SAME TERMS AND CONDITIONS AS THE EXISTING NEXT MICHIGAN RENAISSANCE

1 ZONE IF ALL OF THE FOLLOWING ARE MET:

2 (A) THE ADDITIONAL REAL PROPERTY IS LOCATED WITHIN THE
3 BOUNDARIES OF THE NEXT MICHIGAN DEVELOPMENT DISTRICT AND WILL BE
4 OWNED OR OPERATED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
5 ONCE IT IS BROUGHT INTO OPERATION AS DETERMINED BY THE BOARD OF THE
6 MICHIGAN STRATEGIC FUND.

7 (B) THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND THE CITY,
8 VILLAGE, OR TOWNSHIP IN WHICH THE QUALIFIED ELIGIBLE NEXT MICHIGAN
9 BUSINESS IS LOCATED CONSENT TO THE MODIFICATION.

10 (C) THE AGGREGATE TERRITORY LIMITATIONS PROVIDED IN SUBSECTION
11 (1) WILL NOT BE EXCEEDED.

12 (4) A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IN A NEXT
13 MICHIGAN RENAISSANCE ZONE SHALL BE GRANTED THE BENEFITS OF
14 RENAISSANCE ZONE STATUS FOR A PERIOD OF UP TO 15 YEARS.

15 (5) THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY REVOKE THE
16 DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE
17 OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
18 IF THE BOARD OF THE MICHIGAN STRATEGIC FUND DETERMINES 1 OR MORE OF
19 THE FOLLOWING:

20 (A) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
21 THE APPLICATION FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED IN
22 THE APPLICATION FAIL, TO COMMENCE OPERATION WITHIN 2 YEARS FROM THE
23 DATE OF THE CERTIFICATION AS A QUALIFIED ELIGIBLE NEXT MICHIGAN
24 BUSINESS.

25 (B) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
26 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
27 RENAISSANCE ZONE CEASES OPERATION, PROVIDED THAT DESIGNATION SHALL

1 NOT BE REVOKED IF THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS HAS
2 ASSIGNED ITS RIGHTS TO A SUCCESSOR ENTITY ENGAGED IN A QUALIFIED
3 ELIGIBLE NEXT MICHIGAN BUSINESS.

4 (C) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
5 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
6 RENAISSANCE ZONE FAILS TO COMMENCE CONSTRUCTION OR RENOVATION
7 WITHIN 1 YEAR FROM THE DATE OF THE CERTIFICATION AS A QUALIFIED
8 ELIGIBLE NEXT MICHIGAN BUSINESS.

9 (D) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS FAILS TO
10 MEET JOBS AND INVESTMENT CRITERIA SET FORTH IN THE APPLICATION AND
11 APPROVED AS A CONDITION BY THE PRESIDENT OR THE BOARD OF THE
12 MICHIGAN STRATEGIC FUND.

13 (E) THE LOCAL GOVERNMENTAL UNIT IN WHICH THE QUALIFIED
14 ELIGIBLE NEXT MICHIGAN BUSINESS IS LOCATED WITHDRAWS FROM THE NEXT
15 MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL AGREEMENT, PROVIDED
16 THAT THE TAX INCENTIVES PREVIOUSLY GRANTED TO THE QUALIFIED
17 ELIGIBLE NEXT MICHIGAN BUSINESS SHALL REMAIN IN FULL FORCE AND
18 EFFECT FOR THE STATED TERM OF THE TAX INCENTIVES SO LONG AS THE
19 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS SATISFIES ALL OF THE
20 CONDITIONS UPON WHICH THE TAX INCENTIVES WERE GRANTED.

21 (6) IF THE DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN
22 RENAISSANCE ZONE OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT
23 MICHIGAN BUSINESS IS REVOKED, A QUALIFIED ELIGIBLE NEXT MICHIGAN
24 BUSINESS AFFECTED MAY APPEAL THAT REVOCATION TO THE BOARD OF THE
25 MICHIGAN STRATEGIC FUND. THE DESIGNATION MAY SUBSEQUENTLY BE
26 RESTORED BY THE BOARD OF THE MICHIGAN STRATEGIC FUND TO THE SAME
27 SITE AND IN RESPECT OF A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS,

1 BUT THE DURATION OF THE RESTORED DESIGNATION SHALL NOT EXCEED THE
2 TERM OF THE ORIGINAL DESIGNATION.

3 (7) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
4 THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY EXTEND THE DURATION OF
5 RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF A NEXT MICHIGAN
6 RENAISSANCE ZONE IF THE EXTENSION WILL INCREASE CAPITAL INVESTMENT
7 OR JOB CREATION, AND THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND
8 THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THAT PORTION OF THE NEXT
9 MICHIGAN RENAISSANCE ZONE IS LOCATED CONSENTS TO EXTEND THE
10 DURATION OF RENAISSANCE ZONE STATUS. THE BOARD OF THE MICHIGAN
11 STRATEGIC FUND MAY EXTEND RENAISSANCE ZONE STATUS FOR 1 OR MORE
12 PORTIONS OF THE NEXT MICHIGAN RENAISSANCE ZONE UNDER THIS
13 SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 5 ADDITIONAL YEARS AS
14 DETERMINED BY THE BOARD OF THE MICHIGAN STRATEGIC FUND.

15 (8) BEFORE AN ELIGIBLE NEXT MICHIGAN BUSINESS IS CERTIFIED AS
16 A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS, THE BOARD OF THE
17 MICHIGAN STRATEGIC FUND SHALL ENTER INTO A WRITTEN AGREEMENT WITH
18 THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND A QUALIFIED ELIGIBLE
19 NEXT MICHIGAN BUSINESS IN RESPECT OF THE TERMS AND CONDITIONS OF
20 GRANTING AND RETAINING RENAISSANCE ZONE STATUS, CERTIFICATION AS A
21 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS, AND ANY OTHER RELATED
22 MATTERS. THE WRITTEN AGREEMENT ALSO SHALL CONTAIN A REMEDY
23 PROVISION THAT INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE
24 FOLLOWING:

25 (A) A REQUIREMENT THAT ALL OR A PORTION OF THE EXEMPTIONS,
26 DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 SHALL BE REVOKED
27 UNDER THE PROCEDURES SET FORTH IN THIS ACT IF THE QUALIFIED

1 ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN VIOLATION OF
2 THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR RELOCATES
3 OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A PERIOD OF
4 YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH IN THE
5 WRITTEN AGREEMENT.

6 (B) A REQUIREMENT THAT THE QUALIFIED ELIGIBLE NEXT MICHIGAN
7 BUSINESS MAY BE REQUIRED TO REPAY ALL OR A PORTION OF THE
8 EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 IF THE
9 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN
10 VIOLATION OF THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR
11 RELOCATES OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A
12 PERIOD OF YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH
13 IN THE WRITTEN AGREEMENT.

14 (9) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
15 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
16 TAKE EFFECT ON JANUARY 1 IN THE YEAR FOLLOWING DESIGNATION.
17 HOWEVER, FOR PURPOSES OF THE TAXES EXEMPTED UNDER SECTION 9(2), THE
18 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
19 TAKE EFFECT ON DECEMBER 31 IN THE YEAR IMMEDIATELY PRECEDING THE
20 YEAR IN WHICH THE COMMENCEMENT UNDER THIS SECTION TAKES EFFECT.

21 (10) THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT
22 CERTIFY MORE THAN 25 ELIGIBLE BUSINESSES AS QUALIFIED ELIGIBLE NEXT
23 MICHIGAN BUSINESSES UNDER THIS ACT. THE BOARD OF THE MICHIGAN
24 STRATEGIC FUND SHALL NOT CERTIFY MORE THAN 10 ELIGIBLE BUSINESSES
25 AS QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESSES IN A NEXT MICHIGAN
26 DEVELOPMENT DISTRICT AS DEFINED IN THE NEXT MICHIGAN DEVELOPMENT
27 ACT.

1 Sec. 10. (1) An individual who is a resident of a renaissance
2 zone or a business that is located and conducts business activity
3 within a renaissance zone or a person that owns property located in
4 a renaissance zone is not eligible for the exemption, deduction, or
5 credit listed in section 9(1) or (2) for that taxable year if 1 or
6 more of the following apply:

7 (a) The resident, business, or property owner is delinquent on
8 December 31 of the prior tax year under 1 or more of the following:

9 (i) Former 1975 PA 228 or the Michigan business tax act, 2007
10 PA 36, MCL 208.1101 to 208.1601.

11 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to
12 206.532.

13 (iii) 1974 PA 198, MCL 207.551 to 207.572.

14 (iv) The commercial redevelopment act, 1978 PA 255, MCL 207.651
15 to 207.668.

16 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to
17 125.2123.

18 (vi) 1953 PA 189, MCL 211.181 to 211.182.

19 (vii) The technology park development act, 1984 PA 385, MCL
20 207.701 to 207.718.

21 (viii) Part 511 of the natural resources and environmental
22 protection act, 1994 PA 451, MCL 324.51101 to 324.51120.

23 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL
24 207.771 to 207.786.

25 (x) The city utility users tax act, 1990 PA 100, MCL 141.1151
26 to 141.1177.

27 (b) The resident, business, or property owner is substantially

1 delinquent as defined in a written policy by the qualified local
2 governmental unit in which the renaissance zone is located on
3 December 31 of the prior tax year under 1 or both of the following:

4 (i) The city income tax act, 1964 PA 284, MCL 141.501 to
5 141.787.

6 (ii) Taxes, fees, and special assessments collected under the
7 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

8 (c) For residential rental property in a renaissance zone, the
9 residential rental property is not in substantial compliance with
10 all applicable state and local zoning, building, and housing laws,
11 ordinances, or codes and, except as otherwise provided in this
12 subdivision, the residential rental property owner has not filed an
13 affidavit before December 31 in the immediately preceding tax year
14 with the local tax collecting unit in which the residential rental
15 property is located as required under section 7ff of the general
16 property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31,
17 2004, a residential rental property owner is not required to file
18 an affidavit if the qualified local governmental unit in which the
19 residential rental property is located determines that the
20 residential rental property is in substantial compliance with all
21 applicable state and local zoning, building, and housing laws,
22 ordinances, and codes on December 31 of the immediately preceding
23 tax year.

24 (2) An individual who is a resident of a renaissance zone is
25 eligible for an exemption, deduction, or credit under section 9(1)
26 and (2) until the department of treasury determines that the
27 aggregate state and local tax revenue forgone as a result of all

1 exemptions, deductions, or credits granted under this act to that
2 individual reaches \$10,000,000.00.

3 (3) A casino located and conducting business activity within a
4 renaissance zone is not eligible for the exemption, deduction, or
5 credit listed in section 9(1) or (2). Real property in a
6 renaissance zone on which a casino is operated, personal property
7 of a casino located in a renaissance zone, and all property
8 associated or affiliated with the operation of a casino is not
9 eligible for the exemption, deduction, or credit listed in section
10 9(1) or (2). As used in this subsection, "casino" means a casino or
11 a parking lot, hotel, motel, or retail store owned or operated by a
12 casino, an affiliate, or an affiliated company, regulated by this
13 state pursuant to the Michigan gaming control and revenue act, 1996
14 IL 1, MCL 432.201 to 432.226.

15 (4) For tax years beginning on or after January 1, 1997, an
16 individual who is a resident of a renaissance zone shall not be
17 denied the exemption under subsection (1) if the individual failed
18 to file a return on or before December 31 of the prior tax year
19 under subsection (1)(a)(ii) and that individual was entitled to a
20 refund under that act.

21 (5) A business that is located and conducts business activity
22 within a renaissance zone shall not be denied the exemption under
23 subsection (1) if the business failed to file a return on or before
24 December 31 of the prior tax year under subsection (1)(a)(i) and
25 that business had no tax liability under that act for the tax year
26 for which the return was not filed.

27 (6) **IN A NEXT MICHIGAN RENAISSANCE ZONE, ONLY PROPERTY OWNED**

1 OR LEASED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS AND
2 BUSINESS ACTIVITY CONDUCTED IN A NEXT MICHIGAN RENAISSANCE ZONE BY
3 A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS ARE ELIGIBLE FOR THE
4 EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9.