

**SUBSTITUTE FOR
HOUSE BILL NO. 5349**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 3 and 10 (MCL 125.2683 and 125.2690), section
3 as amended by 2008 PA 217 and section 10 as amended by 2008 PA
242, and by adding section 8g.

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

1 for nonfood use, and surrounding property.

2 (b) "Board" means the state administrative board created in
3 1921 PA 2, MCL 17.1 to 17.3.

4 (c) "Development plan" means a written plan that addresses the
5 criteria in section 7 and includes all of the following:

6 (i) A map of the proposed renaissance zone that indicates the
7 geographic boundaries, the total area, and the present use and
8 conditions generally of the land and structures within those
9 boundaries.

10 (ii) Evidence of community support and commitment from
11 residential and business interests.

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

15 (iv) Current social, economic, and demographic characteristics
16 of the proposed renaissance zone and anticipated improvements in
17 education, health, human services, public safety, and employment if
18 the renaissance zone is created.

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

20 (d) "Elected county executive" means the elected county
21 executive in a county organized under 1966 PA 293, MCL 45.501 to
22 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

23 **(E) "ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS THAT TERM AS**
24 **DEFINED IN SECTION 3 OF THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT,**
25 **1995 PA 24, MCL 207.803.**

26 **(F) ~~(e)~~"Forest products processing facility" means 1 or more**
27 **facilities or operations that transform, package, sort, recycle, or**

1 grade forest or paper products into goods that are used for
2 intermediate or final use or consumption or for the creation of
3 biomass or alternative fuels through the utilization of forest
4 products or forest residue, and surrounding property. Forest
5 products processing facility does not include an existing facility
6 or operation that is located in this state that relocates to a
7 renaissance zone for a forest products processing facility. Forest
8 products processing facility does not include a facility or
9 operation that engages primarily in retail sales.

10 (G) ~~(f)~~—"Local governmental unit" means a county, city,
11 village, or township.

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

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

16 (J) "NEXT MICHIGAN RENAISSANCE ZONE" MEANS A RENAISSANCE ZONE
17 CREATED UNDER SECTION 8G.

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

21 (L) "QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS AN
22 ELIGIBLE NEXT MICHIGAN BUSINESS THAT HAS BEEN CERTIFIED IN
23 ACCORDANCE WITH SECTION 8G.

24 (M) ~~(h)~~—"Qualified local governmental unit" means either of
25 the following:

26 (i) A county.

27 (ii) A city, village, or township that contains an eligible

1 distressed area as defined in section 11 of the state housing
2 development authority act of 1966, 1966 PA 346, MCL 125.1411.

3 (N) ~~(i)~~—"Recovery zone" means a tool and die renaissance
4 recovery zone created in section 8d.

5 (O) ~~(j)~~—"Renaissance zone" means a geographic area designated
6 under this act.

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

19 (Q) ~~(l)~~—"Residential rental property" means that term as
20 defined in section 7ff of the general property tax act, 1893 PA
21 206, MCL 211.7ff.

22 (R) ~~(m)~~—"Review board" means the renaissance zone review board
23 created in section 5.

24 (S) ~~(n)~~—"Rural area" means an area that lies outside of the
25 boundaries of an urban area.

26 (T) ~~(o)~~—"Urban area" means an urbanized area as determined by
27 the economics and statistics administration, United States bureau

1 of the census according to the 1990 census.

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

1 OF 200 ACRES TIMES THE NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES
2 DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT CORPORATION OR 2,000
3 ACRES. A NEXT MICHIGAN RENAISSANCE ZONE SHALL HAVE A DURATION OF
4 RENAISSANCE ZONE STATUS FOR A PERIOD OF NOT LESS THAN 5 YEARS AND
5 NOT MORE THAN 10 YEARS AS DETERMINED BY THE BOARD OF THE MICHIGAN
6 STRATEGIC FUND. EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, IF THE
7 BOARD OF THE MICHIGAN STRATEGIC FUND DETERMINES THAT THE DURATION
8 OF RENAISSANCE ZONE STATUS FOR A NEXT MICHIGAN RENAISSANCE ZONE IS
9 LESS THAN 10 YEARS, THEN THE PRESIDENT OF THE MICHIGAN STRATEGIC
10 FUND, WITH THE CONSENT OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION
11 AND WITH THE CONSENT OF THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE
12 NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED, MAY EXTEND THE DURATION
13 OF RENAISSANCE ZONE STATUS FOR THE NEXT MICHIGAN RENAISSANCE ZONE
14 FOR 1 OR MORE PERIODS THAT WHEN COMBINED DO NOT EXCEED 10 YEARS.

15 (2) THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
16 RECOMMENDATIONS TO THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO
17 CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE
18 NEXT MICHIGAN BUSINESS ENTITLED TO THE EXEMPTIONS, DEDUCTIONS, OR
19 CREDITS AS PROVIDED IN SECTION 9. UPON THE RECOMMENDATION OF A NEXT
20 MICHIGAN DEVELOPMENT CORPORATION, THE MICHIGAN STRATEGIC FUND MAY
21 DETERMINE WHETHER AN ELIGIBLE NEXT MICHIGAN BUSINESS SHOULD RECEIVE
22 THE BENEFITS OF A RENAISSANCE ZONE AND CERTIFY THAT ELIGIBLE NEXT
23 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
24 UNDER THIS ACT. THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND SHALL
25 CERTIFY OR DENY THE APPLICATION TO CERTIFY AN ELIGIBLE NEXT
26 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
27 WITHIN 30 DAYS OF RECEIPT OF THE APPLICATION. IF THE PRESIDENT OF

1 THE MICHIGAN STRATEGIC FUND FAILS TO CERTIFY OR DENY THE
2 APPLICATION FOR CERTIFICATION WITHIN 30 DAYS OF RECEIPT OF THE
3 APPLICATION, THE APPLICATION FOR CERTIFICATION IS CONSIDERED
4 APPROVED. IF THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND DENIES
5 THE APPLICATION FOR CERTIFICATION WITHIN 30 DAYS OF RECEIPT OF THE
6 APPLICATION, THE APPLICANT MAY APPEAL THAT DENIAL TO THE BOARD OF
7 THE MICHIGAN STRATEGIC FUND. UPON APPEAL TO THE BOARD OF THE
8 MICHIGAN STRATEGIC FUND, IF THE BOARD OF THE MICHIGAN STRATEGIC
9 FUND FAILS TO CERTIFY OR DENY THE APPLICATION FOR CERTIFICATION
10 WITHIN 40 DAYS OF RECEIPT OF THE APPEAL, THE APPLICATION FOR
11 CERTIFICATION IS CONSIDERED GRANTED BY THE BOARD. THE PRESIDENT OF
12 THE MICHIGAN STRATEGIC FUND SHALL NOTIFY THE NEXT MICHIGAN
13 DEVELOPMENT CORPORATION THAT IT HAS CERTIFIED A QUALIFIED ELIGIBLE
14 NEXT MICHIGAN BUSINESS IN A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE
15 NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL DEVELOP AN APPLICATION
16 PROCESS FOR ELIGIBLE NEXT MICHIGAN BUSINESSES, WHICH PROCESS SHALL
17 BE APPROVED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. A NEXT
18 MICHIGAN DEVELOPMENT CORPORATION SHALL NOT RECOMMEND AND THE BOARD
19 OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY AN ELIGIBLE NEXT
20 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
21 UNLESS THAT ELIGIBLE NEXT MICHIGAN BUSINESS OPENS A NEW LOCATION IN
22 THIS STATE, LOCATES IN THIS STATE, OR IS AN EXISTING BUSINESS
23 LOCATED IN THIS STATE THAT WILL MATERIALLY EXPAND ITS BUSINESS IN
24 THIS STATE AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC
25 FUND. HOWEVER, THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT
26 CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE
27 NEXT MICHIGAN BUSINESS IF THE PRINCIPAL ECONOMIC EFFECT OF THE

1 EXPANSION OR LOCATION OF THE ELIGIBLE NEXT MICHIGAN BUSINESS INTO A
2 NEXT MICHIGAN DEVELOPMENT DISTRICT IS THE TRANSFER OF EMPLOYMENT
3 FROM 1 OR MORE CITIES, VILLAGES, OR TOWNSHIPS IN THIS STATE TO THE
4 NEXT MICHIGAN DEVELOPMENT DISTRICT.

5 (3) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
6 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY MODIFY AN EXISTING
7 NEXT MICHIGAN RENAISSANCE ZONE TO ADD ADDITIONAL PROPERTY UNDER THE
8 SAME TERMS AND CONDITIONS AS THE EXISTING NEXT MICHIGAN RENAISSANCE
9 ZONE IF ALL OF THE FOLLOWING ARE MET:

10 (A) THE ADDITIONAL REAL PROPERTY IS LOCATED WITHIN THE
11 BOUNDARIES OF THE NEXT MICHIGAN DEVELOPMENT DISTRICT AND WILL BE
12 OWNED OR OPERATED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
13 ONCE IT IS BROUGHT INTO OPERATION AS DETERMINED BY THE BOARD OF THE
14 MICHIGAN STRATEGIC FUND.

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

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

20 (4) A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IN A NEXT
21 MICHIGAN RENAISSANCE ZONE SHALL BE GRANTED RENAISSANCE ZONE STATUS
22 FOR A PERIOD OF UP TO 10 YEARS.

23 (5) THE NEXT MICHIGAN DEVELOPMENT CORPORATION OR THE PRESIDENT
24 OF THE MICHIGAN STRATEGIC FUND MAY REVOKE THE DESIGNATION OF ALL OR
25 A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE OR THE CERTIFICATION
26 OF A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IF THE NEXT MICHIGAN
27 DEVELOPMENT CORPORATION OR THE PRESIDENT OF THE MICHIGAN STRATEGIC

1 FUND DETERMINES 1 OR MORE OF THE FOLLOWING:

2 (A) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
3 THE APPLICATION FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED IN
4 THE APPLICATION FAIL, TO COMMENCE OPERATION WITHIN 2 YEARS FROM THE
5 DATE OF THE CERTIFICATION AS A QUALIFIED ELIGIBLE NEXT MICHIGAN
6 BUSINESS.

7 (B) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
8 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
9 RENAISSANCE ZONE CEASES OPERATION, PROVIDED THAT DESIGNATION SHALL
10 NOT BE REVOKED IF THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS HAS
11 ASSIGNED ITS RIGHTS TO A SUCCESSOR ENTITY ENGAGED IN A QUALIFIED
12 ELIGIBLE NEXT MICHIGAN BUSINESS.

13 (C) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
14 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
15 RENAISSANCE ZONE FAILS TO COMMENCE CONSTRUCTION OR RENOVATION
16 WITHIN 1 YEAR FROM THE DATE OF THE CERTIFICATION AS A QUALIFIED
17 ELIGIBLE NEXT MICHIGAN BUSINESS.

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

22 (E) THE LOCAL GOVERNMENTAL UNIT IN WHICH THE QUALIFIED
23 ELIGIBLE NEXT MICHIGAN BUSINESS IS LOCATED WITHDRAWS FROM THE NEXT
24 MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL AGREEMENT, PROVIDED
25 THAT THE TAX INCENTIVES PREVIOUSLY GRANTED TO THE QUALIFIED
26 ELIGIBLE NEXT MICHIGAN BUSINESS SHALL REMAIN IN FULL FORCE AND
27 EFFECT FOR THE STATED TERM OF THE TAX INCENTIVES SO LONG AS THE

1 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS SATISFIES ALL OF THE
2 CONDITIONS UPON WHICH THE TAX INCENTIVES WERE GRANTED.

3 (6) IF THE NEXT MICHIGAN DEVELOPMENT CORPORATION REVOKES THE
4 DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE
5 OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT MICHIGAN
6 BUSINESS, A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS AFFECTED MAY
7 APPEAL THAT REVOCATION TO THE PRESIDENT OF THE MICHIGAN STRATEGIC
8 FUND AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND.
9 IF THE DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN
10 RENAISSANCE ZONE OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT
11 MICHIGAN BUSINESS IS REVOKED, THE DESIGNATION MAY SUBSEQUENTLY BE
12 RESTORED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO THE
13 SAME SITE AND IN RESPECT OF A QUALIFIED ELIGIBLE NEXT MICHIGAN
14 BUSINESS, BUT THE DURATION OF THE RESTORED DESIGNATION SHALL NOT
15 EXCEED THE TERM OF THE ORIGINAL DESIGNATION. IF THE DESIGNATION OF
16 A NEXT MICHIGAN RENAISSANCE ZONE IS REVOKED AND NOT RESTORED, THE
17 NEXT MICHIGAN RENAISSANCE ZONE DESIGNATION MAY BE TRANSFERRED BY
18 THE NEXT MICHIGAN DEVELOPMENT CORPORATION TO OTHER PROPERTY WITHIN
19 THE NEXT MICHIGAN DEVELOPMENT DISTRICT. THE DURATION OF SUCH
20 TRANSFERRED ZONE SHALL BE FOR THE FULL TERM INITIALLY DETERMINED
21 FOR THAT NEXT MICHIGAN RENAISSANCE ZONE.

22 (7) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
23 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND THE
24 DURATION OF RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF A
25 NEXT MICHIGAN RENAISSANCE ZONE IF THE EXTENSION WILL INCREASE
26 CAPITAL INVESTMENT OR JOB CREATION, AND THE NEXT MICHIGAN
27 DEVELOPMENT CORPORATION AND THE CITY, VILLAGE, OR TOWNSHIP IN WHICH

1 THAT PORTION OF THE NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED
2 CONSENTS TO EXTEND THE DURATION OF RENAISSANCE ZONE STATUS. THE
3 PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND RENAISSANCE
4 ZONE STATUS FOR 1 OR MORE PORTIONS OF THE NEXT MICHIGAN RENAISSANCE
5 ZONE UNDER THIS SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 5
6 ADDITIONAL YEARS AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN
7 STRATEGIC FUND.

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

18 (A) A REQUIREMENT THAT ALL OR A PORTION OF THE EXEMPTIONS,
19 DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 SHALL BE REVOKED
20 UNDER THE PROCEDURES SET FORTH IN THIS ACT IF THE QUALIFIED
21 ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN VIOLATION OF
22 THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR RELOCATES
23 OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A PERIOD OF
24 YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH IN THE
25 WRITTEN AGREEMENT.

26 (B) A REQUIREMENT THAT THE QUALIFIED ELIGIBLE NEXT MICHIGAN
27 BUSINESS MAY BE REQUIRED TO REPAY ALL OR A PORTION OF THE

1 EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 IF THE
2 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN
3 VIOLATION OF THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR
4 RELOCATES OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A
5 PERIOD OF YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH
6 IN THE WRITTEN AGREEMENT.

7 (9) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
8 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
9 TAKE EFFECT ON JANUARY 1 IN THE YEAR FOLLOWING DESIGNATION.
10 HOWEVER, FOR PURPOSES OF THE TAXES EXEMPTED UNDER SECTION 9(2), THE
11 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
12 TAKE EFFECT ON DECEMBER 31 IN THE YEAR IMMEDIATELY PRECEDING THE
13 YEAR IN WHICH THE COMMENCEMENT UNDER THIS SECTION TAKES EFFECT.
14 UNLESS OTHERWISE LIMITED AS PROVIDED IN THIS ACT, EACH QUALIFIED
15 NEXT MICHIGAN ELIGIBLE BUSINESS CERTIFIED UNDER THIS ACT SHALL BE
16 ENTITLED TO RENAISSANCE ZONE STATUS FOR NOT LESS THAN 10 YEARS.

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

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

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

27 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to

1 206.532.

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

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

5 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to
6 125.2123.

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

8 (vii) The technology park development act, 1984 PA 385, MCL
9 207.701 to 207.718.

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

12 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL
13 207.771 to 207.786.

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

16 (b) The resident, business, or property owner is substantially
17 delinquent as defined in a written policy by the qualified local
18 governmental unit in which the renaissance zone is located on
19 December 31 of the prior tax year under 1 or both of the following:

20 (i) The city income tax act, 1964 PA 284, MCL 141.501 to
21 141.787.

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

24 (c) For residential rental property in a renaissance zone, the
25 residential rental property is not in substantial compliance with
26 all applicable state and local zoning, building, and housing laws,
27 ordinances, or codes and, except as otherwise provided in this

1 subdivision, the residential rental property owner has not filed an
2 affidavit before December 31 in the immediately preceding tax year
3 with the local tax collecting unit in which the residential rental
4 property is located as required under section 7ff of the general
5 property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31,
6 2004, a residential rental property owner is not required to file
7 an affidavit if the qualified local governmental unit in which the
8 residential rental property is located determines that the
9 residential rental property is in substantial compliance with all
10 applicable state and local zoning, building, and housing laws,
11 ordinances, and codes on December 31 of the immediately preceding
12 tax year.

13 (2) An individual who is a resident of a renaissance zone is
14 eligible for an exemption, deduction, or credit under section 9(1)
15 and (2) until the department of treasury determines that the
16 aggregate state and local tax revenue forgone as a result of all
17 exemptions, deductions, or credits granted under this act to that
18 individual reaches \$10,000,000.00.

19 (3) A casino located and conducting business activity within a
20 renaissance zone is not eligible for the exemption, deduction, or
21 credit listed in section 9(1) or (2). Real property in a
22 renaissance zone on which a casino is operated, personal property
23 of a casino located in a renaissance zone, and all property
24 associated or affiliated with the operation of a casino is not
25 eligible for the exemption, deduction, or credit listed in section
26 9(1) or (2). As used in this subsection, "casino" means a casino or
27 a parking lot, hotel, motel, or retail store owned or operated by a

1 casino, an affiliate, or an affiliated company, regulated by this
2 state pursuant to the Michigan gaming control and revenue act, 1996
3 IL 1, MCL 432.201 to 432.226.

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

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

16 (6) **IN A NEXT MICHIGAN RENAISSANCE ZONE, ONLY PROPERTY OWNED**
17 **OR LEASED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS AND**
18 **BUSINESS ACTIVITY CONDUCTED IN A NEXT MICHIGAN RENAISSANCE ZONE BY**
19 **A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS ARE ELIGIBLE FOR THE**
20 **EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9.**