

HOUSE BILL No. 5349

September 10, 2009, Introduced by Reps. Walsh, Constan, Polidori, Kandreas, Leland, Byrnes, Johnson, Geiss, Jackson, Bledsoe, LeBlanc and Angerer and referred to the Committee on Transportation.

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

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

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

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

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

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

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

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

25 **(F) ~~(e)~~**"Forest products processing facility" means 1 or more
26 facilities or operations that transform, package, sort, recycle, or
27 grade forest or paper products into goods that are used for

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

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

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

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

15 (J) "NEXT MICHIGAN RENAISSANCE ZONE" MEANS A RENAISSANCE ZONE
16 CREATED UNDER SECTION 8G OF THIS ACT.

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

20 (L) "QUALIFIED ELIGIBLE BUSINESS" MEANS AN ELIGIBLE BUSINESS
21 WHICH HAS BEEN CERTIFIED IN ACCORDANCE WITH SECTION 8G OF THIS ACT.

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

24 (i) A county.

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

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

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

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

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

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

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

24 (T) ~~(o)~~—"Urban area" means an urbanized area as determined by
25 the economics and statistics administration, United States bureau
26 of the census according to the 1990 census.

27 **SEC. 8G. (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 WITHIN THE BOUNDARIES OF A NEXT MICHIGAN DEVELOPMENT
5 DISTRICT. THE NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES TO BE
6 DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT DISTRICT SHALL EQUAL THE
7 CUMULATIVE NUMBER OF INITIAL OR SUBSEQUENT LOCAL GOVERNMENTAL UNIT
8 PARTIES TO THE NEXT MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL
9 AGREEMENT, PLUS 1 ADDITIONAL NEXT MICHIGAN RENAISSANCE ZONE FOR
10 EACH COUNTY PARTY TO THE INTERLOCAL AGREEMENT, BUT SHALL NOT EXCEED
11 12 FOR EACH NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER SHALL
12 NOT BE REDUCED ON ACCOUNT OF A REDUCTION IN THE NUMBER OF LOCAL
13 GOVERNMENT UNIT PARTIES TO THE INTERLOCAL AGREEMENT FROM TIME TO
14 TIME. THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
15 RECOMMENDATIONS TO THE BOARD OF THE MICHIGAN STRATEGIC FUND AS TO
16 WHICH AREAS SHALL BE DESIGNATED AS NEXT MICHIGAN RENAISSANCE ZONES
17 UNDER THIS ACT. THE AGGREGATE TERRITORY OF ALL NEXT MICHIGAN
18 RENAISSANCE ZONES DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT
19 CORPORATION SHALL NOT EXCEED THE LESSER OF 200 ACRES TIMES THE
20 NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES DESIGNATED FOR A NEXT
21 MICHIGAN DEVELOPMENT CORPORATION OR 2,000 ACRES. A NEXT MICHIGAN
22 RENAISSANCE ZONE SHALL HAVE A DURATION OF RENAISSANCE ZONE STATUS
23 FOR A PERIOD OF NOT LESS THAN 5 YEARS AND NOT MORE THAN 10 YEARS AS
24 DETERMINED BY THE BOARD OF THE MICHIGAN STRATEGIC FUND. EXCEPT AS
25 OTHERWISE PROVIDED IN THIS ACT, IF THE BOARD OF THE MICHIGAN
26 STRATEGIC FUND DETERMINES THAT THE DURATION OF RENAISSANCE ZONE
27 STATUS FOR A NEXT MICHIGAN RENAISSANCE ZONE IS LESS THAN 10 YEARS,

1 THEN THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND, WITH THE CONSENT
2 OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND WITH THE CONSENT
3 OF THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE NEXT MICHIGAN
4 RENAISSANCE ZONE IS LOCATED, MAY EXTEND THE DURATION OF RENAISSANCE
5 ZONE STATUS FOR THE NEXT MICHIGAN RENAISSANCE ZONE FOR 1 OR MORE
6 PERIODS THAT WHEN COMBINED DO NOT EXCEED 10 YEARS.

7 (2) THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
8 RECOMMENDATIONS TO THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO
9 CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS
10 ENTITLED TO THE EXEMPTIONS, DEDUCTIONS, OR CREDITS AS PROVIDED IN
11 SECTION 9 OF THIS ACT. UPON THE RECOMMENDATION OF A NEXT MICHIGAN
12 DEVELOPMENT CORPORATION, THE PRESIDENT OF THE MICHIGAN STRATEGIC
13 FUND MAY CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE
14 BUSINESS UNDER THIS ACT. THE PRESIDENT OF THE MICHIGAN STRATEGIC
15 FUND SHALL CERTIFY OR DENY THE APPLICATION TO CERTIFY AN ELIGIBLE
16 BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS WITHIN 30 DAYS OF RECEIPT
17 OF THE APPLICATION. IF THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND
18 FAILS TO CERTIFY OR DENY THE APPLICATION FOR CERTIFICATION WITHIN
19 30 DAYS OF RECEIPT OF THE APPLICATION, THE APPLICATION FOR
20 CERTIFICATION IS CONSIDERED APPROVED. IF THE PRESIDENT OF THE
21 MICHIGAN STRATEGIC FUND DENIES THE APPLICATION FOR CERTIFICATION
22 WITHIN 30 DAYS OF RECEIPT OF THE APPLICATION, THE APPLICANT MAY
23 APPEAL THAT DENIAL TO THE BOARD OF THE MICHIGAN STRATEGIC FUND.
24 UPON APPEAL TO THE BOARD OF THE MICHIGAN STRATEGIC FUND, IF THE
25 BOARD OF THE MICHIGAN STRATEGIC FUND FAILS TO CERTIFY OR DENY THE
26 APPLICATION FOR CERTIFICATION WITHIN 40 DAYS OF RECEIPT OF THE
27 APPEAL, THE APPLICATION FOR CERTIFICATION IS CONSIDERED GRANTED BY

1 THE BOARD. THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND OR THE
2 BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOTIFY THE NEXT MICHIGAN
3 DEVELOPMENT CORPORATION THAT IT HAS CERTIFIED A QUALIFIED ELIGIBLE
4 BUSINESS IN A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NEXT MICHIGAN
5 DEVELOPMENT CORPORATION SHALL DEVELOP AN APPLICATION PROCESS FOR
6 ELIGIBLE BUSINESSES, WHICH PROCESS SHALL BE APPROVED BY THE
7 PRESIDENT OF THE MICHIGAN STRATEGIC FUND. A NEXT MICHIGAN
8 DEVELOPMENT CORPORATION SHALL NOT RECOMMEND AND THE PRESIDENT AND
9 THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY AN
10 ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS UNLESS THAT
11 ELIGIBLE BUSINESS OPENS A NEW LOCATION IN THIS STATE, LOCATES IN
12 THIS STATE, OR IS AN EXISTING BUSINESS LOCATED IN THIS STATE THAT
13 WILL MATERIALLY EXPAND ITS BUSINESS IN THIS STATE AS DETERMINED BY
14 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. HOWEVER, THE
15 PRESIDENT AND THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT
16 CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS IF
17 THE PRINCIPAL ECONOMIC EFFECT OF THE EXPANSION OR LOCATION OF THE
18 ELIGIBLE BUSINESS INTO A NEXT MICHIGAN DEVELOPMENT DISTRICT IS THE
19 TRANSFER OF EMPLOYMENT FROM 1 OR MORE CITIES, VILLAGES, OR
20 TOWNSHIPS IN THIS STATE TO THE NEXT MICHIGAN DEVELOPMENT DISTRICT.

21 (3) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
22 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY MODIFY AN EXISTING
23 NEXT MICHIGAN RENAISSANCE ZONE TO ADD ADDITIONAL PROPERTY UNDER THE
24 SAME TERMS AND CONDITIONS AS THE EXISTING NEXT MICHIGAN RENAISSANCE
25 ZONE IF ALL OF THE FOLLOWING ARE MET:

26 (A) THE ADDITIONAL REAL PROPERTY IS LOCATED WITHIN THE
27 BOUNDARIES OF THE NEXT MICHIGAN DEVELOPMENT DISTRICT AND WILL BE

1 OWNED OR OPERATED BY A QUALIFIED ELIGIBLE BUSINESS ONCE IT IS
2 BROUGHT INTO OPERATION AS DETERMINED BY THE BOARD OF THE MICHIGAN
3 STRATEGIC FUND.

4 (B) THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND THE CITY,
5 VILLAGE, OR TOWNSHIP IN WHICH THE QUALIFIED ELIGIBLE BUSINESS IS
6 LOCATED CONSENTS TO THE MODIFICATION.

7 (C) THE AGGREGATE TERRITORY LIMITATIONS SET FORTH IN
8 SUBSECTION (1) WILL NOT BE EXCEEDED.

9 (4) A QUALIFIED ELIGIBLE BUSINESS IN A NEXT MICHIGAN
10 RENAISSANCE ZONE SHALL BE GRANTED RENAISSANCE ZONE STATUS FOR THE
11 GREATER OF UP TO 10 YEARS OR FOR THE REMAINING TERM OF THE NEXT
12 MICHIGAN RENAISSANCE ZONE WITHIN WHICH THE QUALIFIED ELIGIBLE
13 BUSINESS IS LOCATED. A QUALIFIED ELIGIBLE BUSINESS MAY HAVE A
14 DIFFERENT PERIOD OF RENAISSANCE ZONE STATUS THAN THE NEXT MICHIGAN
15 RENAISSANCE ZONE IN WHICH IT IS LOCATED OR THAN ANOTHER QUALIFIED
16 ELIGIBLE BUSINESS IN THE SAME NEXT MICHIGAN RENAISSANCE ZONE.

17 (5) THE NEXT MICHIGAN DEVELOPMENT CORPORATION OR THE PRESIDENT
18 OF THE MICHIGAN STRATEGIC FUND MAY REVOKE THE DESIGNATION OF ALL OR
19 A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE OR THE CERTIFICATION
20 OF A QUALIFIED ELIGIBLE BUSINESS IF THE NEXT MICHIGAN DEVELOPMENT
21 CORPORATION OR THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND
22 DETERMINES 1 OR MORE OF THE FOLLOWING:

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

27 (B) THE QUALIFIED ELIGIBLE BUSINESS PROPOSED IN THE

1 APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
2 RENAISSANCE ZONE CEASES OPERATION, OR A PREPONDERANCE OF BUSINESSES
3 PROPOSED IN THE APPLICATION TO COMMENCE OPERATION CEASE OPERATIONS,
4 PROVIDED THAT DESIGNATION SHALL NOT BE REVOKED IF THE QUALIFIED
5 ELIGIBLE BUSINESS HAS ASSIGNED ITS RIGHTS TO A SUCCESSOR ENTITY
6 ENGAGED IN A QUALIFIED ELIGIBLE BUSINESS.

7 (C) THE QUALIFIED ELIGIBLE BUSINESS PROPOSED IN THE
8 APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
9 RENAISSANCE ZONE FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED
10 IN THE APPLICATION TO COMMENCE OPERATIONS FAIL, TO COMMENCE
11 CONSTRUCTION OR RENOVATION WITHIN 1 YEAR FROM THE DATE OF THE
12 CERTIFICATION AS A QUALIFIED ELIGIBLE BUSINESS.

13 (D) THE QUALIFIED ELIGIBLE BUSINESS FAILS TO MEET JOBS AND
14 INVESTMENT CRITERIA SET FORTH IN THE APPLICATION AND APPROVED AS A
15 CONDITION BY THE PRESIDENT OR THE BOARD OF THE MICHIGAN STRATEGIC
16 FUND.

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

25 (6) IF THE NEXT MICHIGAN DEVELOPMENT CORPORATION REVOKES THE
26 DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE
27 OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE BUSINESS, A QUALIFIED

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

16 (7) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
17 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND THE
18 DURATION OF RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF A
19 NEXT MICHIGAN RENAISSANCE ZONE IF THE EXTENSION WILL INCREASE
20 CAPITAL INVESTMENT OR JOB CREATION, AND THE NEXT MICHIGAN
21 DEVELOPMENT CORPORATION AND THE CITY, VILLAGE, OR TOWNSHIP IN WHICH
22 THAT PORTION OF THE NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED
23 CONSENTS TO EXTEND THE DURATION OF RENAISSANCE ZONE STATUS. THE
24 PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND RENAISSANCE
25 ZONE STATUS FOR 1 OR MORE PORTIONS OF THE NEXT MICHIGAN RENAISSANCE
26 ZONE UNDER THIS SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 5
27 ADDITIONAL YEARS AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN

1 STRATEGIC FUND.

2 (8) THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND AND THE BOARD
3 OF THE MICHIGAN STRATEGIC FUND MAY ENTER INTO AN AGREEMENT WITH THE
4 NEXT MICHIGAN DEVELOPMENT CORPORATION AND A QUALIFIED ELIGIBLE
5 BUSINESS IN RESPECT OF THE TERMS AND CONDITIONS OF GRANTING AND
6 RETAINING RENAISSANCE ZONE STATUS, CERTIFICATION AS A QUALIFIED
7 ELIGIBLE BUSINESS, AND ANY OTHER RELATED MATTERS.

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

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

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

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

5 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to
6 206.532.

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

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

10 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to
11 125.2123.

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

13 (vii) The technology park development act, 1984 PA 385, MCL
14 207.701 to 207.718.

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

17 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL
18 207.771 to 207.786.

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

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

25 (i) The city income tax act, 1964 PA 284, MCL 141.501 to
26 141.787.

27 (ii) Taxes, fees, and special assessments collected under the

1 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

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

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

24 (3) A casino located and conducting business activity within a
25 renaissance zone is not eligible for the exemption, deduction, or
26 credit listed in section 9(1) or (2). Real property in a
27 renaissance zone on which a casino is operated, personal property

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

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

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

21 **(6) IN A NEXT MICHIGAN RENAISSANCE ZONE, ONLY PROPERTY OWNED**
22 **OR LEASED BY A QUALIFIED ELIGIBLE BUSINESS AND BUSINESS ACTIVITY**
23 **CONDUCTED IN A NEXT MICHIGAN RENAISSANCE ZONE BY A QUALIFIED**
24 **ELIGIBLE BUSINESS ARE ELIGIBLE FOR THE EXEMPTIONS, DEDUCTIONS, OR**
25 **CREDITS DESCRIBED IN SECTION 9.**