

Act No. 373
Public Acts of 2016
Approved by the Governor
December 21, 2016
Filed with the Secretary of State
December 22, 2016
EFFECTIVE DATE: March 29, 2017

**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016**

Introduced by Rep. Glardon

ENROLLED HOUSE BILL No. 5825

AN ACT to amend 1937 PA 94, entitled “An act to provide for the levy, assessment, and collection of a specific excise tax on the storage, use, or consumption in this state of tangible personal property and certain services; to appropriate the proceeds of that tax; to prescribe penalties; and to make appropriations,” by amending section 4s (MCL 205.94s), as amended by 2006 PA 666.

The People of the State of Michigan enact:

Sec. 4s. (1) For taxes levied after June 30, 1999, the tax levied under this act does not apply to property purchased by a person engaged in the business of constructing, altering, repairing, or improving real estate for others to the extent that the property is affixed to and made a structural part of a nonprofit hospital or a nonprofit housing entity qualified as exempt under section 15a of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1415a. For purposes of a county long-term medical care facility, “affixed to and made a structural part of” means any physical connection to an existing county long-term medical care facility.

(2) An exemption shall not be granted under this section for any portion of property otherwise qualifying for exemption under this section if income or a benefit inures directly or indirectly to an individual, private stockholder, or other private person from the independent or nonessential operation of that portion of property.

(3) As used in this section:

(a) “Nonprofit hospital” means 1 of the following:

(i) That portion of a building to which 1 of the following applies:

(A) Is owned or operated by an entity exempt under section 501(c)(3) of the internal revenue code, 26 USC 501, that is licensed as a hospital under part 215 of the public health code, 1978 PA 368, MCL 333.21501 to 333.21571.

(B) Is owned or operated by a governmental unit in which medical attention is provided.

(C) Is owned or operated by an entity or entities exempt under section 501(c)(2) or (3) of the internal revenue code, 26 USC 501, in which medical attention is provided.

(ii) That portion of real property necessary and related to a building described in subparagraph (i) in which medical attention is provided.

(iii) A county long-term medical care facility, including any addition to an existing county long-term medical care facility, if the addition is owned and operated by the county long-term medical care facility and offers health services provided by the county long-term medical care facility. For purposes of this subparagraph, “addition” includes a freestanding building as long as that freestanding building is operated under the same license held by the county long-term medical care facility and continues to offer the same health services as the county long-term medical care facility in that freestanding building. An exemption under this section shall be granted until January 1, 2008 regardless of

whether the addition is licensed as a nursing home or skilled nursing facility under part 217 of the public health code, 1978 PA 368, MCL 333.21701 to 333.21799e, or whether the addition meets the requirements set forth in subsection (1).

(b) "Nonprofit hospital" does not include the following:

(i) Except as otherwise provided under subsection (3)(a)(iii), a freestanding building or other real property of a nursing home or skilled nursing facility licensed under part 217 of the public health code, 1978 PA 368, MCL 333.21701 to 333.21799e.

(ii) A hospice licensed under part 214 of the public health code, 1978 PA 368, MCL 333.21401 to 333.21420.

(iii) A home for the aged licensed under part 213 of the public health code, 1978 PA 368, MCL 333.21301 to 333.21335.

(c) "Medical attention" means that level of medical care in which a physician provides acute care or active treatment of medical, surgical, obstetrical, psychiatric, chronic, or rehabilitative conditions, that require the observation, diagnosis, and daily treatment by a physician.

Enacting section 1. This amendatory act is retroactive and effective for taxes levied after December 31, 2012.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor