

HOUSE BILL NO. 4208

March 08, 2023, Introduced by Rep. Wendzel and referred to the Committee on Tax Policy.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 9q.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 9q. (1) Beginning December 31, 2023, both of the**
2 **following are exempt from the collection of taxes under this act:**
3 **(a) Eligible broadband equipment that resolves lack of**
4 **broadband service provided by a qualified business that has been**
5 **selected to receive, provisionally or otherwise, funding to support**

1 the expansion of broadband networks from the Federal Communications
2 Commission, the United States Department of Agriculture, or this
3 state.

4 (b) Eligible broadband equipment that resolves lack of
5 broadband service by delivering high-speed internet access at
6 speeds of at least 100 megabits per second downstream and 10
7 megabits per second upstream.

8 (2) To claim the exemption under this section, a qualified
9 business must file a statement from an officer of the qualified
10 business, or otherwise provide similar certification in a form and
11 manner prescribed by the Michigan high-speed internet office,
12 specifically describing the equipment for which the exemption is
13 claimed and certifying that all of the requirements for the
14 exemption under this section are met as to that equipment. The
15 statement or other similar certification must be filed with the
16 Michigan high-speed internet office by not later than February 20
17 of each year that the exemption is claimed. The Michigan high-speed
18 internet office shall promptly forward copies of all documentation
19 pertaining to a claim of exemption under this section, together
20 with its written instruction as to whether the exemption must be
21 granted or denied, to the department of treasury.

22 (3) The state treasurer shall estimate on January 1 each year
23 the revenue lost as a result of exemptions granted under this
24 section by the state school aid fund and deposit that amount into
25 the state school aid fund from the general fund.

26 (4) As used in this section:

27 (a) "Eligible broadband equipment" means any personal property
28 acquired by a qualified business, such as, but not limited to,
29 fiber optic and coaxial cable, conduit, pole attachment hardware,

1 cabinets, pedestals, amplifiers, routers, servers, multiplexers,
2 antennas, and related equipment, that meets both of the following:

3 (i) Is used in the transmission or receipt of data in at least
4 1 direction.

5 (ii) Was first installed by the qualified business after
6 December 31, 2023 and before December 31, 2028, and has been used
7 by the qualified business for not more than 10 years.

8 (b) "Lack of broadband service" means either no terrestrial
9 internet access or access to terrestrial internet delivered at
10 speeds of less than 25 megabits per second downstream and 3
11 megabits per second upstream. For purposes of this definition, a
12 person may experience lack of broadband service regardless of any
13 access the person may have to satellite internet.

14 (c) "Michigan high-speed internet office" means the Michigan
15 high-speed internet office created by the department of labor and
16 economic opportunity pursuant to Executive Directive 2021-2.

17 (d) "Person" means an individual, sole proprietorship,
18 partnership, corporation, association, limited liability company,
19 or any other legal entity.

20 (e) "Qualified business" means a person who provides
21 terrestrial broadband service, including terrestrial wireless
22 broadband service.

23 Enacting section 1. This amendatory act takes effect 90 days
24 after the date it is enacted into law.

25 Enacting section 2. This amendatory act does not take effect
26 unless Senate Bill No.____ or House Bill No. 4207 (request no.
27 01697'23) of the 102nd Legislature is enacted into law.