

THE GENERAL PROPERTY TAX ACT (EXCERPT)
Act 206 of 1893

211.9n Beginning December 31, 2015; qualified previously existing personal property; exemption; affidavit; filing requirements; denial of claim; books and records; fraudulent claim; penalties; definitions.

Sec. 9n. (1) Beginning December 31, 2015 and each year thereafter, qualified previously existing personal property for which an exemption has been properly claimed under subsection (2) is exempt from the collection of taxes under this act.

(2) A person shall claim the exemption under this section by filing an affidavit with the local tax collecting unit in which the qualified previously existing personal property is located as provided in subsection (3). The affidavit shall be in a form prescribed by the state tax commission. A person claiming an exemption for previously existing personal property is only required to file the affidavit claiming the exemption under this section for the first year for which the exemption for that qualified previously existing personal property is claimed in the local tax collecting unit.

(3) If a person claiming an exemption under this section has not filed an affidavit under this section in any prior year with the local tax collecting unit in which the qualified previously existing personal property is located claiming an exemption for that qualified previously existing personal property, that person shall file the affidavit described under subsection (2) with that local tax collecting unit not later than February 10 of the first year for which the person is claiming the exemption for that qualified previously existing personal property in the local tax collecting unit. If an affidavit claiming the exemption for qualified previously existing personal property under this section is filed as provided in this subsection and the person claiming an exemption for that qualified previously existing personal property complied with section 19(9) with respect to that qualified previously existing personal property in 2015, or if the filing requirement under section 19(9) was not applicable because the qualified previously existing personal property was acquired in 2015 or later, the person claiming the exemption under this section is not required to also file a statement under section 19 for that qualified previously existing personal property in the first year for which the exemption is claimed or in any subsequent year. If an affidavit claiming the exemption for qualified previously existing personal property under this section is filed as provided in this subsection but the person claiming the exemption under this section did not comply with section 19(9) with respect to that qualified previously existing personal property in 2015, the person claiming the exemption under this section shall file a statement under section 19 for that qualified previously existing personal property in the first year for which the person is claiming an exemption for that qualified previously existing personal property, but the person is not required to file a statement under section 19 for that qualified previously existing personal property in any subsequent year. If a person claiming an exemption for qualified previously existing personal property has not filed an affidavit as required under this section, that person's qualified previously existing personal property is subject to the collection of taxes under this act and that person shall file a statement under section 19.

(4) If the assessor of the local tax collecting unit believes that personal property for which an affidavit claiming an exemption is filed under subsection (2) is not qualified previously existing personal property, the assessor may deny that claim for exemption by notifying the person that filed the affidavit in writing of the reason for the denial and advising the person that the denial may be appealed to the board of review under section 30 or 53b. The assessor may deny a claim for exemption under this subsection for the current year only. If the assessor denies a claim for exemption, the assessor shall remove the exemption of that personal property and amend the tax roll to reflect the denial and the local treasurer shall within 30 days of the date of the denial issue a corrected tax bill for any additional taxes.

(5) A person claiming an exemption for qualified previously existing personal property exempt under this section shall maintain books and records and shall provide access to those books and records as provided in section 22.

(6) If a person fraudulently claims an exemption for personal property under this section, that person is subject to the penalties provided for in section 21(2).

(7) As used in this section:

(a) "Direct integrated support", "eligible manufacturing personal property", and "industrial processing" mean those terms as defined in section 9m.

(b) "Qualified previously existing personal property" means personal property that meets all of the following conditions:

(i) Is eligible manufacturing personal property.

(ii) Meets any of the following conditions:

(A) Has been subject to or exempt from the collection of taxes under this act for the immediately preceding

10 years.

(B) If that personal property was located both outside of and within this state in the immediately preceding 10 years, that personal property was subject to or exempt from the collection of taxes under this act, or would have been subject to or exempt from the collection of taxes under this act if located in this state, for the immediately preceding 10 years.

(C) If that personal property was located outside of this state in the immediately preceding 10 years, that personal property would have been subject to or exempt from the collection of taxes under this act for the immediately preceding 10 years if that personal property had been located in this state.

History: Add. 2012, Act 403, Eff. Mar. 28, 2013;—Am. 2013, Act 154, Imd. Eff. Nov. 5, 2013.

Compiler's note: Enacting section 1 of Act 403 of 2012 provides:

"Enacting section 1. Section 9n of the general property tax act, 1893 PA 206, MCL 211.9n, as added by this amendatory act, is repealed if either House Bill No. 6026 of the 96th Legislature is not approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 1 of Act 91 of 2014 provides:

"Enacting section 1. Section 9n of the general property tax act, 1893 PA 206, MCL 211.9n, as added by this amendatory act, is repealed if either House Bill No. 6026 of the 96th Legislature, 2012 PA 408, or Senate Bill No. 822 of the 97th Legislature is presented to the qualified electors of this state at an election to be held on the August regular election date in 2014 and the bill presented is not approved by a majority of the qualified electors of this state voting on the question."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES

NO

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.