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Personal Property Tax Relief in Distressed Communities (PA 328 of 1998)

Public Act 328 of 1998 allows distressed communities and all county seats to abate all new personal property taxes in certain geographic areas to spur economic development.

ELIGIBILITY

Cities, villages, and townships that contain distressed areas (as defined under the Michigan State Housing Development Authority Act), and all county seats (as defined under the Neighborhood Enterprise Zone Act) are eligible to participate. This criterion applies to the cities, villages, townships, and county seats listed on the back of this fact sheet.

Abatements include all millage, state and local. Locally approved applications are filed with the State Tax Commission (STC), which must approve or disapprove the local resolution within 60 days. The State Treasurer, with the written consent of the Michigan Economic Development Corporation, is required to provide advice to the STC as to whether the exemption is necessary to “reduce unemployment, promote economic growth, and increase capital investment.”

Eligible projects include manufacturing, mining, research and development, wholesale trade, and office operations. Retail businesses and casinos are not eligible.

New personal property is property not previously subject to property taxes in any other jurisdiction in this state. This includes personal property already in Michigan, but exempt for another reason (owned by a local unit of government). Personal property is property that wasn't previously subject to tax under the Property Tax Act. If there is any question as to whether the property is considered new, please contact the Department of Treasury at 517.373.3272.

TERMS OF ABATEMENT

The eligible local units may, by resolution, exempt new personal property in any of the following areas: an industrial development district (P.A. 198), a renaissance zone, an enterprise zone, a brownfield redevelopment zone, an empowerment zone, a tax increment financing district, a local development financing district, or a downtown development district.

The local community and the business negotiate the length of abatement for the new personal property tax, via adoption of a local resolution. The law does not contain a maximum or minimum number of years.

For more information, contact the Michigan Economic Development Corporation Customer Assistance at 517.373.9808.

(MORE)

ELIGIBLE DISTRESSED COMMUNITIES AND COUNTY SEATS

As of May 25, 2007

This revised list of Eligible Distressed Areas and County Seats reflects a group of communities that qualify based on Neighborhood Enterprise Zone designation, pursuant to changes to PA 147 of 1992.

CITIES			TOWNSHIPS	VILLAGES
Adrian	Grayling	Munising	Benton (Berrien)	Atlanta
Albion	Hamtramck	Muskegon	Buena Vista (Saginaw)	Baldwin
Allegan	Harbor Beach	Muskegon Heights	Calumet (Houghton)	Bellaire
Alma	Harper Woods	Norton Shores	Carp Lake (Ontonagon)	Beulah
Alpena	Harrison	Norway	Carrollton (Saginaw)	Caro
Ann Arbor	Harrisville	Oak Park	Champion (Marquette)	Cassopolis
Bad Axe	Hart	Omer	Columbia (Tuscola)	Centreville
Bangor	Hartford	Onaway	Duncan (Houghton)	Eagle River
Battle Creek	Hastings	Owosso	Elba (Griot)	Kalkaska
Bay City	Hazel Park	Petoskey	Elmwood (Tuscola)	L'Anse
Benton Harbor	Highland Park	Pinconning	Emerson (Griot)	Leland
Bessemer	Hillsdale	Pontiac	Genesee (Genesee)	Mio
Big Rapids	Holland	Portage	Marlette (Sanilac)	Newberry
Bronson	Houghton	Port Huron	Minden (Sanilac)	Ontonagon
Burton	Howell	Reed City	Montrose (Genesee)	Paw Paw
Cadillac	Inkster	River Rouge	Mt. Morris (Genesee)	Roscommon
Carson City	Ionia	Rogers City	Oscoda (Iosco)	
Caspian	Ironwood	Saginaw	Oliver (Huron)	
Center Line	Iron Mountain	Sandusky	Pulawski (Presque Isle)	
Charlevoix	Iron River	Sault Ste. Marie	Redford (Wayne)	
Charlotte	Ishpeming	Southfield	Royal Oak (Oakland)	
Cheboygan	Ithaca	St. Ignace	Sebewaing (Huron)	
Coldwater	Jackson	St. Johns	Sheridan (Calhoun)	
Coleman	Kalamazoo	St. Joseph	Spaulding (Saginaw)	
Corunna	Lake City	St. Louis	Turner (Arenac)	
Crystal Falls	Lansing	Standish	Wisner (Tuscola)	
Dearborn	Lapeer	Stanton		
Dearborn Heights	Lincoln Park	Sturgis		
Detroit	Livonia	Tawas City		
Dowagiac	Ludington	Taylor		
East Lansing	Manistee	Three Rivers		
Eastpointe	Manistique	Traverse City		
Ecorse	Marquette	Trenton		
Escanaba	Marshall	Vassar		
Ferndale	Mason	Wakefield		
Flint	Melvindale	Warren		
Gaastra	Menominee	Wayne		
Gaylord	Midland	West Branch		
Gibraltar	Monroe	White Cloud		
Gladstone	Mt. Clemens	Wyandotte		
Gladwin	Mt. Morris	Wyoming		
Grand Haven	Mt. Pleasant	Ypsilanti		
Grand Rapids				

169 EDAs, 127 Cities, 26 Townships, 16 Villages