

Michigan Township INSIGHTS

Weekly News and Information from the Michigan Townships Association | May 13, 2016

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LEGISLATIVE UPDATE

'Dark store' bill up for committee vote next week

A bill to ensure big box stores pay their fair share of property taxes is expected to be taken up for a committee vote Wednesday. MTA is among the organizations that has testified in support of **HB 5578**, sponsored by Rep. David Maturen (R-Brady Twp.), before the



House Tax Policy Committee in recent weeks. If enacted, the bipartisan bill would put an end to the **"dark store" assessment theory** being upheld by the Michigan Tax Tribunal and require that existing sound appraisal standards be applied in an assessment dispute. Instead of relying solely on sales comparisons—leading to property tax assessments being cut by as much as 50 percent—the MTT would be required to consider a number of factors, including the property's highest and best use. Comparable properties could only be used if they had the same highest and best use as the property in question. **It is critical that township officials contact their state representative and urge a yes vote on HB 5578 as the existing loophole is being used by statewide and national chain businesses.** Your advocacy is vital to ensuring the passage of HB 5578.

MTA QUICK LINKS

[Members-only Website](#)
[Training](#)
[Answer Center](#)
[Advocacy](#)
[MTA Store](#)
[Township Governance Academy](#)
[Allied Service Providers](#)
[Classified Ads](#)
[NATaT](#)
[MTA Webcasts](#)
[MTA Publications Catalog](#)

UPCOMING MTA EVENTS

****Double Feature:**
[Election Tips & Tricks plus Your Township as a Workplace](#)
****UP North Summit**

ALLIED SERVICE PROVIDERS



Water, sewer lien bill moves to full House

* [Asphalt Materials, Inc.](#)

* [Bauckham, Sparks, Thall, Seeber & Kaufman, PC](#)

Sewer and water liens could be enforced for a longer period of time under a bill reported by the House Local Government Committee this week. **HB 5113**, sponsored by Rep. Laura Cox (R-Livonia), would extend municipal water liens from three years to 10 years. Under current law, if a property receives municipal sewer and water services, the municipality can ensure that any charges or assessments will be paid by placing an immediate lien against the property. MTA supports the bill's extension of the enforceable period, which could allow more debt to be collected and increase township funds. The bill moves to the full House for consideration.

[* Consumers Energy](#)

[* Fahey Schultz Burzych Rhodes PLC](#)

[* Foster, Swift, Collins & Smith, P.C.](#)

[* ITC Holdings Corp.](#)

[* Mika Meyers, PLC](#)

[* Ted Hartleb Agency](#)

[* Wightman & Associates, Inc.](#)

New guidance available on PPT exemptions



New guidance is available from the State Tax Commission (STC) for township assessors regarding administration of eligible manufacturing personal property (EMPP) exemptions. Recent legislation--Public Acts 107-110 of 2016--clarified numerous aspects of the personal property

(PPT) exemptions. The most significant change for townships is a May 31 deadline extension, *for 2016 only*, for those eligible businesses that failed to file or filed an incomplete Form 5278 to claim the EMPP exemption. Assessors who receive and approve additional Form 5278 filings must submit an amended their assessment rolls and transit to the Department of Treasury and their county equalization director by **June 7, 2016**. More information, including a [sample denial form](#) and details on the [deadline extension](#), is available on the STC's [PPT Web page](#).



Payments in lieu of taxes to be allowed for future renaissance zones

Tax abatement agreements could allow for additional payments in lieu of taxes (PILT) for businesses in renaissance zones under **HB 5439**. The bill, sponsored by Rep. Michael Webber (R-Rochester Hills), received final passage this week and will be sent to Gov. Rick Snyder for signature. Renaissance zones are designated tax-free areas, for up to 15 years, designed for all businesses in specific geographic areas or for specific kinds of facilities or industries anywhere in the state. The Michigan Strategic Fund has designated 27 renaissance zones in the state, 12 of which are still available. Current law only allows a business to make payments in lieu of taxes if it's in a renaissance zone that was designated before Dec. 1, 2010. HB 5439, which was supported by MTA, allows local units of government to assess a PILT on entities in any renaissance zones approved and created by the Michigan Strategic Fund board regardless of when the renaissance zone is created.

Local units could be reimbursed for responding to falsely reported public threat

Townships could be reimbursed for

the cost of responding to a falsely reported public threat if [HB 5567](#) is enacted. The bill, sponsored by Rep. David Maturen (R-Brady Twp.), was passed by the House this week and moves to the Senate for consideration. The bill would add false reporting of a public threat to the list of offenses where the convicted may be ordered to reimburse the state or local government for expenses incurred responding to the offense.



[HB 5567](#) is part of a three-bill package introduced as a result of the Kalamazoo shooting rampage earlier this year. [HB 5442](#), sponsored by Rep. Brandt Iden (R-Oshtemo Chtr. Twp.), would create a notification system to be used during emergencies, including active shooter situations, and would make it a felony to falsely report such an event. [HB 5449](#), sponsored by Rep. Jon Hoadley (D-Kalamazoo), would make the false reporting of a public threat a Class F felony.

Local preemption on plastic bag bans passes Senate

Townships could not ban or regulate plastic bags under a bill passed by the Senate this week. [SB 853](#), sponsored by Sen. Jim Stamas (R-Midland Chtr. Twp), if enacted, would prohibit local units of government from enacting ordinances that regulate or ban plastic bags at grocery stores, fast food restaurants and other businesses. No local regulations currently exist in Michigan, but two counties--Washtenaw and Muskegon--are considering plastic bag ordinances. A Washtenaw County Board of Commissioners committee approved a resolution last week that would impose a 10-cent fee on most plastic and paper bags used by retailers, with some exceptions. The ordinances are becoming more common in states such as California and Hawaii. [SB 853](#) was introduced out of a concern that such ordinances create multiple regulations for businesses to follow. MTA will continue to monitor [SB 853](#) as it moves to the House for consideration.

Bill ensures deployed military can receive PRE



A bill on its way to Gov. Snyder ensures that deployed troops can claim a principal residence exemption (PRE). Currently, most members of the U.S. Armed Forces who are serving abroad don't have a problem receiving and retaining a PRE; however, some are concerned that language in the current law creates confusion. [SB 606](#),

sponsored by Sen. Mike Shirkey (R-Clark Lake), is meant to codify the current practice of granting a PRE to deployed service men and women. The bill also allows deployed individuals to file an appeal if the exemption is not on the tax roll. MTA monitored the bill as it moved through the legislative process.

Federal update for week of May 9

Check out the National Association of Towns and Townships' [e-newsletter](#) for an update of federal actions impacting townships.

Additional news you can use

MTA wants to hear from you!

Are you a frequent user of the member section of MTA's website? Do you value our Annual Conference and seminars? We want to hear from you! We are looking for township officials to share their thoughts for *Township Focus* articles highlighting MTA services, such as our website and education programs. Email bethany@michigantownships.org to be contacted to share your insights about these member services.

Green Communities conference coming in June

Learn more about how local climate and energy planning can make an impact on local governments at the upcoming Michigan Green Communities (MGC) conference. [Registration](#) is now open for the June 15 event in Lansing. The one-day peer-learning event for local government staff and officials will feature breakout sessions and introduce the newly revised 2016 MGC Challenge, as well as a new climate health and adaptation planning training. MTA is an MGC partner.

Comment now on MDOT long-range plan

Got an opinion on the Michigan Department of Transportation (MDOT) state long-range transportation plan? Let MDOT know. Public comments are now being accepted on the plan, known as [MI Transportation Plan: Moving Michigan Forward](#). Comments may be submitted [online](#), and [public meetings](#) are being held across the state. All comments must be received by Friday, June 10.