

## PERSONAL PROPERTY TAX RELIEF IN DISTRESSED COMMUNITIES (PA 328)

**Public Act 328 of 1998 (PA 328)** allows distressed communities, county seats and certain border county communities to abate personal property taxes on new investments made by eligible businesses.

### ELIGIBILITY AND PROCESS

Eligible location sites include 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. Eligible cities, villages, townships and county seats are listed on the following page.

Eligible businesses that locate in a border county and receive approval from the Michigan State Treasurer and president of the Michigan Strategic Fund may also receive this incentive. Berrien, Branch, Cass, Chippewa, Dickinson, Gogebic, Hillsdale, Iron, Lenawee, Menominee, Monroe, St. Clair, St. Joseph and Wayne are eligible border counties. The business must locate in a local governmental unit that is served by at least four of the following services: water, sewer, police, fire, trash or recycling.

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

Businesses may apply for the abatement through their local taxing unit if located in an eligible community. Locally approved applications are filed with the State Tax Commission (STC), which must approve or deny the local resolution within 60 days. The State Treasurer, with the written consent of the Michigan Economic Development Corporation (MEDC), 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.

New personal property is defined as 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 (e.g., property previously owned by a local unit of government). To determine if certain property is considered new, please contact the Department of Treasury at 517.373.0675

### TERMS OF ABATEMENT

Abatements under PA 328 reduce property taxes by the full millage rate, including state and local levies. The eligible local units may, by resolution, exempt new personal property in any of the following areas: an industrial development district (**PA 198 of 1974**), a Renaissance Zone, an enterprise zone, a brownfield redevelopment zone, an empowerment zone, a tax increment financing district, a local development financing district, a Next Michigan Development Corporation District or a downtown development district.

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

### EXTENSION UNDER PERSONAL PROPERTY TAX REFORM

Personal property exempt under PA 328 and eligible in the future for the Personal Property Tax (PPT) exemption will automatically continue to be exempt under PA 328 until that property may be claimed as exempt from the PPT in the current tax year.

### CONTACT

For more information, contact the MEDC customer assistance center at 517.373.9808.

*(List of eligible distressed areas and county seats on next page)*

## ELIGIBLE DISTRESSED COMMUNITIES AND COUNTY SEATS

This list reflects a group of communities (170 EDAs, 129 cities, 26 townships, 15 villages) that qualify for the PA 328 exemption based on Neighborhood Enterprise Zone designation, pursuant to changes to PA 147 of 1992.

### CITIES

Adrian  
Albion  
Allegan  
Alma  
Alpena  
Ann Arbor  
Bad Axe  
Bangor  
Battle Creek  
Bay City  
Benton Harbor  
Bessemer  
Big Rapids  
Bronson  
Burton  
Cadillac  
Caro  
Carson City  
Caspian  
Center Line  
Charlevoix  
Charlotte  
Cheboygan  
Coldwater  
Coleman  
Corunna  
Crystal Falls  
Dearborn  
Dearborn Heights  
Detroit  
Dowagiac  
East Lansing  
Eastpointe  
Ecorse  
Escanaba  
Ferndale  
Flint  
Gaastra  
Gaylord  
Gibraltar  
Gladstone  
Gladwin  
Grand Haven  
Grand Rapids

Grayling  
Hamtramck  
Harbor Beach  
Harper Woods  
Harrison  
Harrisville  
Hart  
Hartford  
Hastings  
Hazel Park  
Highland Park  
Hillsdale  
Holland  
Houghton  
Howell  
Inkster  
Ionia  
Ironwood  
Iron Mountain  
Iron River  
Ishpeming  
Ithaca  
Jackson  
Kalamazoo  
Lake City  
Lansing  
Lapeer  
Lincoln Park  
Livonia  
Ludington  
Manistee  
Manistique  
Marquette  
Marshall  
Mason  
Melvindale  
Menominee  
Midland  
Monroe  
Mt. Clemens  
Mt. Morris  
Mt. Pleasant  
Munising  
Muskegon

Muskegon Heights  
Niles  
Norton Shores  
Norway  
Oak Park  
Omer  
Onaway  
Owosso  
Petoskey  
Pinconning  
Pontiac  
Portage  
Port Huron  
Reed City  
River Rouge  
Rogers City  
Saginaw  
Sandusky  
Sault Ste. Marie  
Southfield  
St. Ignace  
St. Johns  
St. Joseph  
St. Louis  
Standish  
Stanton  
Sturgis  
Tawas City  
Taylor  
Three Rivers  
Traverse City  
Trenton  
Vassar  
Wakefield  
Warren  
Wayne  
West Branch  
White Cloud  
Wyandotte  
Wyoming  
Ypsilanti

### TOWNSHIPS

Benton (Berrien)  
Buena Vista (Saginaw)  
Calumet (Houghton)  
Carp Lake (Ontonagon)  
Carrrollton (Saginaw)  
Champion (Marquette)  
Columbia (Tuscola)  
Duncan (Houghton)  
Elba (Gratiot)  
Elmwood (Tuscola)  
Emerson (Gratiot)  
Genesee (Genesee)  
Marlette (Sanilac)  
Minden (Sanilac)  
Montrose (Genesee)  
Mt. Morris (Genesee)  
Oscoda (Iosco)  
Oliver (Huron)  
Pulawski (Presque Isle)  
Redford (Wayne)  
Royal Oak (Oakland)  
Sebewaing (Huron)  
Sheridan (Calhoun)  
Spaulding (Saginaw)  
Turner (Arenac)  
Wisner (Tuscola)

### VILLAGES

Atlanta  
Baldwin  
Bellaire  
Beulah  
Cassopolis  
Centreville  
Eagle River  
Kalkaska  
L'Anse  
Leland  
Mio  
Newberry  
Ontonagon  
Paw Paw  
Roscommon