

Property Tax Exemptions Administered by the Community Services Division of the Michigan Department of Treasury

	Industrial Facilities	Obsolete Property Rehabilitation	Commercial Rehabilitation	Commercial Facilities	New Personal Property	Air Pollution Control	Water Pollution Control	Neighborhood Enterprise Zone	Charitable Nonprofit Housing
Statutory Reference	PA 198 of 1974, as amended MCL 207.551 to MCL 207.572	PA 146 of 2000, as amended MCL 125.2781 to MCL 125.2797	PA 210 of 2005, as amended MCL 207.841 to MCL 207.856	PA 255 of 1978, as amended MCL 207.651 to MCL 207.668	PA 328 of 1998, as amended MCL 211.9f	PA 451 Of 1994, Part 59, as amended MCL 324.5901 to MCL 324.5908	PA 451 of 1994, Part 37, as amended MCL 324.3701 to MCL 324.3708	PA 147 of 1992, as amended MCL 207.771 to MCL 207.787	PA 612 of 2006, as amended MCL 211.7kk
Sample Certificate Number	2020-0000	3-20-0000	C2020-000	4-20-000	000-2020	1-0000	2-0000	N2020-000	20-000
Communities that Qualify	All	Must be on the OPRA list, which is published by the State Tax Commission (STC)	All	Cities and Villages	Eligible Distressed Areas and certain border communities	All	All	County seats and communities on the OPRA list	All
District or Zone Requirements	Plant Rehabilitation District or Industrial Development District	Obsolete Property Rehabilitation District	Commercial Rehabilitation District	Commercial Redevelopment District	Refer to MCL 211.9f(11)(f) for a complete listing of qualifying districts	None	None	New, Rehabilitation, or Homestead Neighborhood Enterprise Zone	None
Applicant Qualifications	Owner or lessee with tax liability	Owner	Owner	Owner or lessee with tax liability	Owner or lessee with tax liability	Owner or lessee with tax liability	Owner or lessee with tax liability	Developer, builder, or owner	Owner
Types of Applications	New, Rehabilitation, or Speculative	Rehabilitation	Rehabilitation	New, Replacement, or Restored	New	New	New	New, Rehabilitation, or Homestead	New or Rehabilitation
Entity that Issues the Exemption	STC	STC	STC	City or village	State Treasurer	STC	STC	New or Rehabilitation – STC Homestead – Local Unit	STC
Effective Date of the Exemption	12/31 following STC approval	12/31 following STC approval	12/31 following STC Approval	12/31 following city or village approval	12/31 following issuance; however, all qualifying property purchased or acquired after local unit approval receives the exemption	12/31 following STC approval	12/31 following STC approval	12/31 following STC approval	12/31 following STC approval
Length of the Exemption	1-12 years, as set by the local unit	1-12 years, as set by the local unit	1-10 years, as set by the local unit	1-12 years, as set by the local unit	The local unit may set any term	Effective until revoked	Effective until revoked	6-15 years, as set by the local unit	3 or 5 years, depending on the type of the exemption
Transfer Requirements	Local unit and STC approval	Local unit approval	Local unit approval	Local unit approval	Local unit approval	STC approval	STC approval	STC approval	Local unit and state approval, but Homesteads only require local unit approval
Revocation Requirements	Applicant and local unit may request STC revocation	Local unit may revoke	Local unit may revoke	Local unit may revoke	Local unit may revoke	Applicant, local unit, or the Department of Environment, Great Lakes, and Energy may request STC revocation	Applicant, local unit, or the Department of Environment, Great Lakes, and Energy may request STC revocation	Applicant or local unit may request STC revocation	Ends if property is transferred or leased
Construction Commencement Limitations	Cannot begin more than six months before the application is filed	Cannot begin prior to district establishment	Cannot begin more than six months before application is filed	Cannot begin before district is established and cannot begin more than 45 days before the application is filed	Property must be placed into service after the local unit approves the exemption	None	None	Cannot begin more than six months before the application is filed, unless it is approved by the local unit	None
Type of Use	Industrial business enterprise, commercial activity and personal property	Commercial business enterprise including commercial housing property	Commercial business enterprise or multifamily residential use (5 or more units)	Commercial business enterprise, but no housing	New personal property, but no eligible manufacturing personal property	Industrial air pollution control facilities	Industrial water pollution control facilities	Residential housing	Charitable nonprofit housing property that is to be transferred to a low-income person
Benefit of the Tax Exemption	50% property tax abatement for new facilities, taxable value frozen for replacement facilities	Taxable value frozen at value prior to issuance of certificate, pay school operating and state education tax on current value, subject to exclusion	Taxable value frozen at value prior to issuance of certificate, pay school operating and state education tax on current value	50% property tax abatement for new and replacement facilities, taxable value frozen for restored facilities	100% personal property tax exemption	100% sales, use, and property tax exemption	100% sales, use, and property tax exemption	½ the state average tax rate for new owner-occupied facilities, state average tax rate for all other new facilities, and taxable value frozen for rehabilitated facilities	100% property tax exemption

*This chart is intended to be used solely as a resource to compare available exemptions. It should not be used to determine whether an individual or a business qualifies for a specific tax exemption. Individual statutes and official State Tax Commission policies are controlling in all instances.