

**HOUSE STANDING COMMITTEE ON  
TAX POLICY**

Room 519 House Office Building                      Wednesday 9:00 a.m.                      March 12, 2014

Representative Jeff Farrington, Chair, called the meeting to order.

Representative Farrington requested attendance be called to establish a quorum of the appointed committee members:

Present: Representatives Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,  
Absent/Excused: Representative Switalski.

Representative Price moved to approve the minutes of the meeting held on March 11, 2014.

There being no objection, the motion prevailed by unanimous consent.

Representative Barnett moved to excuse the absent member.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid SB 821, SB 822, SB 823, SB 824, SB 825, SB 826, SB 827, SB 828, SB 829, and SB 830 before the committee.

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|--------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| SB 821 | (Brandenburg) | Taxation; other; local community stabilization authority; create.                                                                                         |
| SB 822 | (Hildenbrand) | Use tax; collections; collection of local use tax; increase amount allowable.                                                                             |
| SB 823 | (Proos)       | Property tax; exemptions; voter approval for exemption eligibility; modify, and exclude certain utility personal property from eligibility for exemption. |
| SB 824 | (Pappageorge) | State financing and management; authorities; process for transferring authority powers; revise, and provide other general amendments.                     |
| SB 825 | (Robertson)   | Use tax; distribution; enacting section 1 in enrolled HB 6026, 2012 PA 408; amend to reflect different contingencies.                                     |
| SB 826 | (Jansen)      | Property tax; exemptions; enacting section 1 in enrolled SB 1069, 2012 PA 401; amend to reflect different contingencies.                                  |
| SB 827 | (Bieda)       | Property tax; exemptions; enacting section 1 in enrolled SB 1070, 2012 PA 402; amend to reflect different contingencies.                                  |

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|--------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SB 828 | (Ananich) | Property tax; exemptions; enacting section 1 in enrolled SB 1071, 2012 PA 403; amend to reflect different contingencies.                                          |
| SB 829 | (Warren)  | Taxation; excise taxes; tax on certain owners of exempt eligible personal property; create.                                                                       |
| SB 830 | (Nofs)    | Taxation; specific tax; personal property exempt from the specific tax levied under the state essential services assessment act; create alternative specific tax. |

The following testified on the bill package. Questions and discussion followed each.

Mike Johnston, representing the Michigan Manufacturers Association (support)  
 Ben Bodkin, representing the Michigan Sheriffs' Association (support)  
 Allie Bush and Ron Kaley, representing the Grand Rapids Area Chamber (support)  
 Brad Williams, representing the Detroit Regional Chamber (support)  
 John LaMacchia, representing the Michigan Municipal League (support)  
 Kurt Dykstra, representing the City of Holland (support)  
 Jack O'Reilly, representing the City of Dearborn (support)  
 Charlie Pryde, representing the Ford Motor Company (support)  
 Nick Ciaramitaro, representing American Federation of State, County and Municipal Employees (neutral)  
 Tricia Kinley, representing the Michigan Chamber of Commerce (support)

The following submitted testimony cards on the bill package but did not wish to speak.

Howard Ryan, representing the Michigan Department of Treasury (support)  
 Jill Ritchie, representing U.S. Steel (support)  
 Scott Smith, representing the City of Grand Rapids (support)  
 Erin Schor, representing the Michigan Community College Association (support)

The following submitted written material/comments:

Mike Johnston, representing the Michigan Manufacturers Association  
 Allie M. Bush, representing the Grand Rapids Area Chamber of Commerce

The Chair laid SB 516 and SB 622 before the committee.

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|--------|----------|------------------------------------------------------------------------------------------------------------------------------|
| SB 516 | (Booher) | Corporate income tax; financial institutions; certain foreign corporations, tax base, and unitary filing provisions; revise. |
| SB 622 | (Booher) | Use tax; exemptions; exemption for property affixed to property in another state; revise effective date.                     |

Representative Genetski moved to adopt substitute (H-1) for SB 516.

The motion prevailed by a vote of 14-0-0

**FAVORABLE ROLL CALL:**

Yeas: Representatives Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

Representative Cotter moved to report SB 516 with recommendation as substitute (H-1)

The motion prevailed by a vote of 14-0-0

**FAVORABLE ROLL CALL:**

Yeas: Representatives Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

SB 516 reported with recommendation as substitute (H-1)

Representative O'Brien moved to report SB 622 with recommendation.

The motion prevailed by a vote of 14-0-0

**FAVORABLE ROLL CALL:**

Yeas: Representatives Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

SB 622 reported with recommendation

There being no further business to come before the committee, the Chair adjourned the meeting, the time being 10:12 a.m.

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Representative Jeff Farrington, Chair

David C. Mead  
Committee Clerk  
March 12, 2014  
72 minutes

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Date Approved and Signed