



## Changes in Michigan's Personal Property Tax Laws for 2015

As of December 31, 2014, eligible personal property in the state of Michigan is exempt from taxation. This exemption is based upon numerous Public Acts from 2012 and 2013, however, these acts *do not* provide for the complete exemption of business personal property. For the 2015 year, eligible personal property must meet all of the following conditions to be exempt:

- A property owner must claim the exemption by filing an *Affidavit of Owner of Eligible Personal Property Claiming Exemption from Collection of Taxes*, **and**
- the personal property must be classified as either industrial personal or commercial personal property by the local assessing department, **and**
- the combined true cash value of all the personal property owned by, leased by or in the possession of the owner claiming the exemption is less than \$80,000 and is located within the City of Mt. Pleasant, **and**
- the personal property is not leased to or used by a person who previously owned or controlled the use of the personal property.

In determining the combined true cash value of all the personal property of a business, the Michigan State Tax Commission states that **the recommended valuation procedure is that which is described on the annual personal property statement**. Further, the taxpayer is reminded *"that they must add together the true cash values of all the personal property used in all of their business locations in the assessment unit, whether owned, leased, or possessed by a related party or owned, leased or possessed by the taxpayer itself."*

If you believe that your business qualifies for this exemption, then you will need to fill out the *Affidavit of Owner of Eligible Personal Property Claiming Exemption from Collection of Taxes* and file it with the City Assessor's office by **February 10, 2015**. This is an annual exemption. As per the Michigan State Tax Commission, a *"taxpayer cannot receive, and the assessor cannot grant, the eligible personal property exemption unless the taxpayer fully completes and returns the affidavit to the assessor by February 10 of the assessment year. The taxpayer must file the affidavit every year to continue to receive the exemption."*

A property owner claiming the exemption and who files this affidavit is *not* required to also file the annual Personal Property Statement.

The annual personal property statement were mailed to all business owners during the first week of January. Again, the Eligible Personal Property exemption affidavits must be filed by **February 10, 2015** while the standard Personal Property statement is due no later than **February 20, 2015**. **Please remember that all businesses are required to file one or the other (affidavit or statement) but not both.** A business which does not file either an exemption affidavit or an annual personal property statement may have their 2015 true cash value estimated. The estimate is subject to March Board of Review appeal and will form the basis for the 2015 tax bills.

Additional information on this exemption including the Michigan State Tax Commission Bulletin 11 of 2013, which explains the exemption, is available on the city's website, [www.mt-pleasant.org](http://www.mt-pleasant.org)

Please forward any questions to the City Assessor's office at (989) 779-5355 or by email at [assessor@mt-pleasant.org](mailto:assessor@mt-pleasant.org)

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