

# THE LAW HAS CHANGED REGARDING PERSONAL PROPERTY TAX EXEMPTIONS

## PLEASE READ CAREFULLY

Contrary to the understanding of many taxpayers, the new personal property tax exemptions do **not** provide for the **complete** exemption of business personal property. For 2017, all owners of personal property in Michigan must continue to file the appropriate forms with the Assessor where their property is located as of December 31, 2016. Accordingly, the timeline for filing forms relating to business personal property is outlined below beginning, January 1, 2017.

### **The Small Business Tax Exemption Affidavit:**

Those businesses with less than \$80,000 combined True Cash Value of personal property owned, leased or used by them (and any related entity) within a tax-collecting municipality could qualify for an exemption if they fully complete & timely file **2017 Treasury Form 5076 “Affidavit to Claim Small Business Tax Exemption”**.

#### **[2017 Treasury Form 5076 “Affidavit to Claim Small Business Tax Exemption”](#)**

Form 5076 must be fully completed and **postmarked** by **February 10, 2017**. There are no extensions to this deadline – failure to file the affidavit on time means the property owner will NOT receive the exemption, even if the property owner would otherwise be eligible. Additionally, the business personal property owner must file an affidavit EACH YEAR with the local Assessor.

Those businesses who have owned, leased, or borrowed personal property with a combined True Cash Value of \$80,000 or more **or** those who did not timely file their exemption affidavit must fully complete and timely file **2017 Treasury Form 632 “Personal Property Statement” by February 20, 2017\***.

#### **[2017 Treasury Form 632 “Personal Property Statement”](#)**

\*\*\*Assessment will be estimated by the Assessor if a Personal Property Statement is not filed or is filed late.

### **Eligible Manufacturing Personal Property Exemption & Essential Services Assessment:**

Beginning December 31, 2015, qualified new personal property & previously existing personal property located on occupied real property that is predominantly used in industrial processing or direct integrated support could be exempt from ad valorem taxation. This property would instead be subject to an Essential Services Assessment (ESA). To claim this exemption the property owner must fully complete & timely file **2017 Treasury Form 5278 “Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment”**.

#### **[2017 Treasury Form 5278 “Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment”](#)**

Form 5278 must be fully completed and **received by** the Assessor by **February 20, 2017\***. There are no extensions to this deadline – failure to file the affidavit on time means the property owner will NOT receive the exemption, even if the property owner would otherwise be eligible.

Property owners should not complete Form 5278 unless the personal property meets the definition of Eligible Manufacturing Personal Property (EMPP). Property owners who do not qualify **or** submit this form after the deadline must fully complete and timely file **2017 Treasury Form 632 “Personal Property Statement” by February 20, 2017\***.

#### **[2017 Treasury Form 632 “Personal Property Statement”](#)**

\*\*\*Assessment will be estimated by the Assessor if a Personal Property Statement is not filed or is filed late.

Additional information can be found on the following websites:

General Personal Property Tax: [www.michigan.gov/ppt](http://www.michigan.gov/ppt)

Essential Services Assessment: [www.michigan.gov/esa](http://www.michigan.gov/esa)

Specific Questions? Send us an e-mail at: [GRAssessorPP@grcity.us](mailto:GRAssessorPP@grcity.us)

*\*February 20, 2017 falls on a holiday, therefore the filing deadline is extended to February 21, 2017.*