Michigan Department of Treasury

5429 (05-16), Page 1

**Personal Property 2016 Taxable Value for Expired/Expiring Renaissance Zones**

Issued under the authority of Public Act 86 of 2014 (MCL 123.1353(6)).

**See page 3 for instructions.**

|  |
| --- |
| **PART 1: RENAISSANCE ZONE INFORMATION** |
| Renaissance Zone NameWest Michigan Tooling Coalition |
| Subzone NameEclipse Tool & Die | Expiration Date 2014 |
| City/Township NameTownship of Leighton | City/Township Revenue Sharing Code031130 |
| Village Name | Village Revenue Sharing Code |
| County NameAllegan COUNTY | County Revenue Sharing Code030000 |
| **PART 2: ESTIMATED 2016 TAXABLE VALUE** |
| 1. List the personal property parcel number(s), which were formerly or are currently under the renaissance zone exemption identified in Part 1 of this form, that are Eligible Manufacturing Personal Property (EMPP) AND that the taxpayer reported the EMPP fair market value on Part 3 of the 2016 “Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment” (Form 5278).

If none of the parcels meet the above requirements, indicate “N/A” in the box and complete Part 3. |  |
| 2. For EMPP formerly or currently under the renaissance zone exemption identified in Part 2, line 1 of this form that for 2015 was **ad valorem property or IFT replacement facility** and first placed in service before 2006, enter the amount from line 7, Column A of the Optional Worksheet on page 2 or enter the estimated 2016 taxable value from information provided by the taxpayer. | $ | 00 |
| 3. For EMPP formerly or currently under the renaissance zone exemption identified in Part 2, line 1 of this form that was **IFT new facility for 2015** and first placed in service before 2006, enter the amount from line 7, Column B of the Optional Worksheet on page 2 or enter the estimated 2016 taxable value from information provided by the taxpayer. | $ | 00 |
| 4. Enter the IFT certificate number(s) of the IFT EMPP taxable value that was reported on lines 2 and 3. |  |
| 5. For EMPP under the renaissance zone exemption identified in Part 2, line 1 of this form that for 2016 is under an extended IFT and first placed in service after 2005, enter the assessed value from Part 2 of the 2016 Form 5278.  | $ | 00 |
| 6. Enter the IFT certificate number(s) of the extended IFT for EMPP taxable value that was reported on line 5. |  |
| 7. Estimated 2016 Taxable Value: Add lines 2, 3 and 5.  | $ | 00 |
| 8. Is renaissance zone EMPP located in one or more tax increment finance authority (TIF) districts? If yes, list the name of each TIF. If no, leaveline 8 blank and complete Part 3 of this form.  |
| **PART 3: CERTIFICATION** |
| Assessing Officer Name (Print or Type) | Assessing Officer Signature |
| Telephone Number  | E-mail Address | Date |

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**Optional Worksheet for Completing Part 2, Line 2 and Line 3**

**See pages 3 and 4 for instructions.**

|  |  |  |
| --- | --- | --- |
|  | **For EMPP that for 2015was ad valorem property or IFT replacement facility****(Column A)** | **For EMPP that for 2015 was IFT new facility****(Column B)** |
| 1. For EMPP that was formerly or is currently under the renaissance zone exemption identified in Part 2, line 1 of this form and was first placed in service before 2006, enter the acquisition cost from the 2015 “Personal Property Statement”(Form 632). | $ | $ |
| 2. For EMPP that was formerly or is currently under the renaissance zone exemption identified in Part 2, line 1 of this form and was first placed in service before 2006, enter the true cash value from the 2015 Form 632. | $ | $ |
| 3. For EMPP that was formerly or is currently under the renaissance zone exemption identified in Part 2, line 1 of this form and was first placed in service before 2006, compute and enter the estimated 2016 true cash value using the acquisition costs reported on the 2015 Form 632 and using 2016 multipliers. See instructions. | $ | $ |
| 4. For EMPP that was formerly or is currently under the renaissance zone exemption identified in Part 2, line 1 of this form and that was first placed in service before 2006, enter the fair market value from Part 3 of the 2016 Form 5278. | $ | $ |
| 5. Divide line 4 by line 1 and enter the amount. However, if the amount is greater than 1, enter 1. |  |  |
| 6. Estimated 2016 true cash value for EMPP placed in service prior to 2006: Multiply line 3 by line 5 and enter the amount. | $ | $ |
| 7. Estimated 2016 taxable value for EMPP placed in service priorto 2006: Multiply line 6 by 50% (0.50) and enter the amount. Carry amount from Column A to Part 2, line 2. Carry amount from Column B to Part 2, line 3. | $ | $ |

**If you have any questions, call 517-373-2697.**

**2016 Public Act 108 reopens the window to claim a 2016 EMPP exemption through May 31, 2016. Make sure this form reflects all the 2016 Form 5278 filings through May 31, 2016.**

**Return a completed and signed form to the Michigan Department of Treasury by June 7, 2016. Forms can be e-mailed to** **TreasORTA@michigan.gov****, faxed to 517-335-3298, or mailed to:**

**Michigan Department of Treasury**

**Office of Revenue and Tax Analysis**

**PO Box 30722**

**Lansing MI 48909**

**In addition, send a copy of the completed form to the county equalization director and each TIF identified in Part 2, line 8.**

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**Instructions for Form 5429**

**Personal Property 2016 Taxable Value for Expired/Expiring Renaissance Zones**

**Purpose of This Form**

The Local Community Stabilization Authority Act (LCSA Act), 2014 Public Act 86, provides reimbursement for increased revenue a local government or tax increment finance authority (TIF) would have received from an expired Industrial Facilities Tax (IFT), PA 328, or renaissance zone exemption, but will not receive due to the new Eligible Manufacturing Personal Property (EMPP) exemptions or the related extension of the IFT or PA 328 exemptions for EMPP. The LCSA Act requires assessors to report the increased value from expired tax exemptions needed to calculate the reimbursements for local government essential services millage and TIFs. The essential services reimbursement is the portion of general operating millage that is used to fund essential services (i.e. police, fire, ambulance or jails) plus millage earmarked for essential services, multiplied by the increased value from expired tax exemptions. If the form is not completed and returned, local governments and TIFs will not receive this reimbursement, which is in addition to the reimbursement for all millages based on the overall decline in taxable value of industrial and commercial personal property.

Complete this form for eligible manufacturing personal property that was or is subject to the renaissance zone exemption identified in Part 1 of this form, which has either expired or is subject in 2016 to the three year phase out. Do not complete this form for personal property that was disqualified from the 2013 renaissance zone exemption. A separate form was sent for expired IFT or PA 328 exemptions (Form 5403).

**General Instructions**

Section 13(6) of the Local Community Stabilization Authority Act (LCSA Act), MCL 123.1353(6), requires assessors to annually report the increased value from expired tax exemptions for each municipality. The LCSA Act defines the increased value from expired tax exemptions in Section 5(n) of the LCSA Act, MCL 123.1345(n), as the increase in taxable value subject to tax of industrial personal property and commercial personal property placed in service before 2013 that would have occurred in 2016 as a result of the expiration of an IFT, PA 328, or renaissance zone exemption that had been in effect in 2013 and would have expired before 1/1/16, assuming the IFT or PA 328 exemption was not extended under the PPT legislation and if the exemptions under Sections 9m or 9n of the general property tax act, 1893 PA 206, MCL 211.9m and 211.9n, were not in effect.

The LCSA Act provides that assessors remit the information from this form to their equalization director, who is then required to forward the data to Treasury. For 2016, assessors are asked to submit the form directly to Treasury, and also send a copy to the county equalization director and TIFs identified on Part 2, line 8 of this form. Equalization directors should not forward this form to Treasury.

**Line-By-Line Instructions**

*Lines not listed are explained on the form.*

**Part 2: Estimated 2016 Taxable Value**

**Line 1**: Attach an additional page if parcel numbers will not fit in the space provided.

“Fair market value” means the fair market value of personal property at the time of acquisition by the first owner, including the cost of freight, sales tax, installation, and other capitalized costs, except capitalized interest. There is a rebuttable presumption that the acquisition price paid by the first owner for personal property, and any cost of freight, sales tax, installation, and other capitalized costs, except capitalized interest, reflect the fair market value.

**Lines 2 and 3:** For EMPP first placed in service before 2006, the 2016 Form 5278 does not provide sufficient information to calculate the 2016 taxable value of the EMPP. For EMPP formerly subject to a renaissance zone exemption identified in Part 2, line 1, this amount can be estimated from the IFT parcel’s 2015 “Personal Property Statement” (Form 632) - using Optional Worksheet for Completing Part 2, Line 2 and Line 3; see page 4 for instructions - or from additional information the assessor requests from the taxpayer.

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**Example for Form 5429**

 **Personal Property 2016 Taxable Value for Expired Renaissance Zones**

**Optional Worksheet**

When completing the worksheet, include data from all schedules of the 2015 “Personal Property Statement” (Form 632) that are used to determine the assessed value.

**Line-By-Line Example**

*Lines not listed are explained on the form.*

For ad valorem property or IFT replacement facility, enter calculated amounts in Column A and for IFT new facility enter calculated amounts in Column B.

**Lines 1 and 2:** For example, using costs reported on Section B, 2015 “Personal Property Statement” (Form 632):

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year Placed in Service | Acquisition Cost |  | Multiplier |  | True Cash Value |
| 2005 | 1,000,000 | X | .36 | = | 360,000 |
| 2004 | 900,000 | X | .33 | = | 297,000 |
| 2003 | 800,000 | X | .31 | = | 248,000 |
| Total | 2,700,000 |  |  |  | 905,000 |

Enter 2,700,000 on line 1 of the worksheet and 905,000 on line 2 of the worksheet.

**Line 3:** For example, using costs reported on Section B, 2015 “Personal Property Statement” (Form 632) and the multipliers for the year placed in service from the 2016 “Personal Property Statement” (Form 632) (2015 multipliers moved up one year):

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year Placed in Service | Acquisition Cost |  | Multiplier |  | True Cash Value |
| 2005 | 1,000,000 | X | .33 | = | 330,000 |
| 2004 | 900,000 | X | .31 | = | 279,000 |
| 2003 | 800,000 | X | .29 | = | 232,000 |
| Total | 2,700,000 |  |  |  | 841,000 |

Enter 841,000 on line 3 of the worksheet.

**Line 4:** For example purposes, assume the acquisition cost for the EMPP formerly under the exemption certificate identified in Part 1 and placed in service prior to 2006 totals $2,500,000 as reported on Part 3 of the 2016 Form 5278. Enter 2,500,000 on line 4 of the worksheet.

**Line 5:** 2,500,000 (line 4) / 2,700,000 (line 1) = .9259

**Line 6:** 841,000 (line 3) x .9259 (line 5) = 778,682

**Line 7:** 778,682 (line 6) x 0.5 = 389,341