



# City of Southfield

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26000 Evergreen Rd. • P.O. Box 2055 • Southfield, MI 48037-2055 • [www.cityofsouthfield.com](http://www.cityofsouthfield.com)

## APPLICATION PROCESS PROPERTY TAX ABATEMENT PA 198 PROCESS

1. Application – “Eligible Business” completes application, submits to governing body with the appropriate fees.
  2. Resolution Adoption– Governing Body, after hearing, adopts resolution providing for exemption
  3. State Tax Commission approves or disapproves.
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Application and instructions available at:

[http://michigan.gov/documents/1012f\\_2637\\_7.pdf](http://michigan.gov/documents/1012f_2637_7.pdf)

Governing body is the City of Southfield.

- Request to establish an Industrial Development District: \$500.00
- Application for Tax Abatement: \$1,000.00

Must comply with the City’s Living Wage Ordinance, No. 1478, regarding minimum wages and benefits

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## Must Comply with Industrial Facilities Exemption Application Checklist

### GENERAL INFORMATION NEEDED FOR ALL APPLICATIONS:

- Completed Department of Treasury Application Form 1012
- SIC/NAICS Code – eligible business \_\_\_\_\_
- Certified copy of the resolution approving the District. IDD \_\_\_\_\_ PRD \_\_\_\_\_
- Was the request for the District done prior to construction? (Y/N)
- Certified copy of the resolution approving the application (must include the following statements):
  - SEV of real and personal property WILL/WILL NOT exceed 5% of .....
  - shall not have the effect of substantially impeding.....or impairing the financial soundness...
  - Term of the exemption approved by the local governmental unit
  - Letter of Agreement signed by the local unit and the applicant per MCL 207.572.
  - Affidavit of Fees signed by the local unit and the applicant.
  - Proof of Real Property Construction Begin Date (Building Permit, Footings Inspection, Signed Affidavit from Contractor, etc).
  - List of Machinery and Equipment with installation dates.

### REHAB ONLY:

- If machinery and equipment is being rehabilitated, a list of machinery, equipment and furniture and fixtures, including cost and installation dates.
  - Signed Obsolescence Statement from assessor.
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**Mayor**  
Kenson J. Siver

**Council President**  
Charles Hicks

**City Clerk**  
Gabi Grossbard

**City Treasurer**  
Irv M. Lowenberg

### City Council

Nancy L.M. Banks

Ashanti Bland

Daniel Brightwell

Yolanda C. Haynes

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## SPECULATIVE ONLY:

- Certified copy of the resolution to establish a speculative building.
- Statement of non-occupancy from the owner and the assessor.
- Was the speculative building constructed before a specific user was identified? MCL 207.553(8)(b). (Y/N)

## TRANSFERS ONLY: \_\_\_\_\_

- Certified copy of the resolution approving the transfer.
- Notice was given to the holder, LGU, assessor and other local authorities for hearing.
- Name Change Only? If so, did we get proof of same ownership? (Y/N)

## REVOCATIONS ONLY:   ☐ Real Property   ☐ Personal Property   ☐ Both

Statutory Reason for Revocation: \_\_\_\_\_

- Certified copy of the resolution approving the revocation.

## AMENDMENTS ONLY: ☐ Extension: \_\_\_\_ to \_\_\_\_ ☐ Increase: \_\_\_\_\_ to \_\_\_\_\_ ☐ Both/Other

- Certified copy of the resolution approving the amendment.
- Is the amendment to increase personal or real property? (Y/N) If so, obtain the following:
- Amended application
- Updated Machinery and Equipment List.

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## TAX EXEMPTION CHART FOR INDUSTRIAL FACILITIES (PA 198) YEARS OF ABATEMENT BASED UPON JOBS & INVESTMENT

Value of Capital Investment	10 - 14	15- 19	20- 24	25-30	21- 26	37- 43	44-52	53- 61	62- 70	71- 80	81- 90	90+
1,000,000 – 1,250,000	1	2	3	4	5	6	7	8	9	10	11	12
1,250,001 – 1,500,000	2	3	4	5	6	7	8	9	10	11	12	
1,500,001 - 2,000,000	3	4	5	6	7	8	9	10	11	12		
2,000,001 – 2,250,000	4	5	6	7	8	9	10	11	12			
2,250,001 -2,500,000	5	6	7	8	9	10	11	12				
2,500,001 – 2,750,000	6	7	8	9	10	11	12					
2,750,001 -3,050,000	7	8	9	10	11	12						
3,050,001 - 3,350,000	8	9	10	11	12							
3,350,001 – 3,650,000	9	10	11	12								
3,650,001 – 4,000,000	10	11	12									
4,000,001 – 4,350,000	11	12										
4,350,001 +	12											

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