



New Personal Property Exemption for 2019

To be eligible, a taxpayer must meet **ALL** the following:

1. The personal property must be classified as industrial personal property or commercial personal property as defined in MCL 211.34c.
2. The combined **true cash value** of all industrial personal property and commercial personal property owned by, leased by or in the possession of the owner or a related entity claiming the exemption is less than \$80,000 in the local tax collecting unit.
3. The property is not leased to or used by a person that previously owned the property or a person that, directly or indirectly controls, is controlled by, or under common control with the person that previously owned the property.

If you feel you qualify for this exemption, you must file Form 5076 Small Business Property Tax Exemption Claim with the local unit (assessor) no later than February 20th. Beginning in 2019 taxpayers are no longer required to annually file Form 5076 in order to claim the exemption, but all taxpayers must file in 2019 to claim the exemption. **FORM 5076 MUST BE FILLED OUT COMPLETELY.** If granted, the taxpayer will continue to receive the exemption until they no longer qualify. The taxpayer is required to file Rescission Form 5618 and a personal property statement no later than Feb 20th of the year that the property is no longer eligible. Failure to file the Rescission Form 5618 will result in significant penalty and interest.

Your exemption may be denied by the local assessor if it is determined you do not qualify for the exemption. Taxpayers may appeal the denial at the March Board of Review. Taxpayers are required to maintain books and records for four years after filing Form 5076 claiming the exemption. At a minimum those records shall include the date of purchase, lease or acquisition, purchase price, lease amount or value of all industrial personal property and commercial personal property owned by, leased by or in the possession of that personal or a related entity. They shall provide access to those books and records if requested by the local unit assessing officer, County Equalization Department or Department of Treasury for the four years immediately after filing the exemption. In concert with that, MCL 211.90 provides local units of government the right to develop and implement an audit program to determined continued eligibility for the exemption.

If you do not qualify for this exemption, form 632 must be completed.

For more information please go to State Tax Commission website at www.michigan.gov/statetaxcommission.