



Antrim County

TAX SHARING POLICY

Purpose:

This Policy is intended to establish guidelines under which Antrim County will participate in tax sharing agreements with other local units of government under existing and future tax capture and tax exemption programs.

Authority:

Antrim County Board of Commissioners currently has the statutory authority to exempt itself from participation in tax capture and tax abatement districts that are organized under PA 57 of 2018, statutes [as](#) listed in Definitions, and any other statutes that allow County exemption.

Application:

This Policy applies to all requests for tax capture or tax abatement that permit the County the option to exempt itself from a new or expanded tax capture or tax abatement district. This Policy shall also apply to any existing or future tax capture or tax abatement program in which state statute provides the County the option to exempt itself from a new or expanded tax capture or tax abatement district.

Responsibilities:

The County Clerk, upon receipt of a notice to establish or expand any tax capture or tax abatement district within the County, shall be responsible for promptly forwarding the request to the Board of Commissioners, the County Administrator, and the County Treasurer. The County Clerk shall also be responsible for transmitting any actions of the Board of Commissioners regarding each request to the Clerk of the requesting jurisdiction and to the proposed district.

Antrim County's Civil Counsel shall be responsible for determining whether Antrim County has the authority to exempt itself from a proposed tax capture or tax abatement district.

The County Administrator shall be responsible for preparing, in a timely fashion, a recommended response to a notice to establish or expand a tax capture or tax abatement district in which the County has the statutory authority to exempt its tax levy from capture. The County Administrator shall also be responsible for negotiating with the affected local unit of government and proposed tax capture/tax abatement district the terms of any tax sharing agreement requested by the Board of Commissioners under this Policy.

Definitions:

"Tax capture or tax abatement district" and "Tax capture or tax abatement program" means an organization or plan established under any of the following statutes or any new statutes that allow County tax capture:

- | <u>Tax Capture:</u> | <u>Public Act</u> | <u>Exemption Provision</u> |
|--|-------------------|----------------------------|
| <ul style="list-style-type: none">Downtown Development Authority | 197 of 1975 | Existing |

• Local Development Financing Act (Smartzones)	281 of 1986	Existing ⁽¹⁾
• Tax Increment Finance Authority Act (TIFA)	450 of 1980	Existing ⁽²⁾
• Historic Neighborhood TIFA	530 of 2004	Existing
• Corridor Improvement Authority Act	280 of 2005	Existing
• Brownfield Redevelopment Financing Act	381 of 1996	None
• Brownfield Redevelopment Financing Act, amended	90 of 2023	None

Tax Abatement:

• Industrial Facilities Property Tax Abatement Act	198 of 1974	None
• Neighborhood Enterprise Zone Act	147 of 1992	None
• Neighborhood Enterprise Zone Act, amended	238 of 2022	None
• Renaissance Zone Act	376 of 1996	None
• Personal Property Tax Abatement Act	328 of 1998	None
• Obsolete Property Rehabilitation Act	146 of 2000	None
• Commercial Rehabilitation Act	210 of 2005	Existing
• Attainable Housing Facilities Act	236 of 2022	None
• Residential Housing Facilities Act	237 of 2022	None

Note (1): Except "Certified Technology Park"

Note (2): No new authorities to be created or existing authorities expanded.

Policy:

Whenever authorized by statute, the County will not permit the capture of County property tax revenues in any new or amended development district unless the Antrim County Board of Commissioners has approved a tax sharing agreement with the affected development district and the affected municipality.

The County will consider the approval of a tax sharing agreement for its tax levy that meets the following conditions:

1. The agreement must be for specifically defined public infrastructure projects directly related to the economic growth within that district, to promote the utilization of certain property for housing development, or to provide for the development and rehabilitation of residential housing. Economic growth is understood to be the creation, retention, and expansion of jobs and income.
2. Specifically defined public infrastructure projects must be for specific items of work, each of which is limited to a specific maximum dollar amount, to be completed within a specified time period. The agreement shall specify the maximum amount of captured property tax revenues and the time over which those revenues may be captured. It shall also specify that any excess collections must be returned to the County Treasurer annually.
3. The affected jurisdiction must allow the capture and expenditure of its property tax revenues for the same period of time during which the County tax revenues are being captured and expended in the district.
4. If tax revenue is generated faster than anticipated due to growth within the district exceeding initial projections, the additional revenues may be used to decrease or call any bonds or other debt obligations related to the projects approved by the tax sharing agreement in proportion with funds used from other taxing jurisdictions.

The County Clerk shall immediately forward any notice of creation or expansion of any tax capture or tax abatement district to the Board of Commissioners, the County Administrator and the County Treasurer. The County Administrator shall be responsible for evaluation requests for the capture of County property tax revenues as to conformance with this Policy, and shall recommend approval or disapproval of any such proposed agreement to the Board of Commissioners within the 60-day statutory requirement.

The Antrim County Board of Commissioners reserves the right to exempt County taxes from capture for any reason and to modify the terms and conditions it may require for approval of a tax capture/tax abatement agreement.

A copy of any approved agreement shall be provided to the County Treasurer who shall take the necessary steps to assure that captured property tax revenues collected in excess of the amounts permitted by the agreement are returned to the County on an annual basis.

An initial rejection by the Antrim County Board of Commissioners of a request for tax capture or tax abatement may be rescinded if and when a tax sharing agreement is reached that meets the terms and conditions specified by the Antrim County Board of Commissioners.

Adopted: October 2009

Amended: September 7, 2023