



City of Auburn Hills
Instructions for Filing Tax Incentive Requests
PA 198, Industrial Facility Exemption Certificates

PA 198 of 1974 provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new facilities, and to promote establishment of high tech facilities. An IFT certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a period of 1 to 8 years. A certificate holder will pay a specific tax known as the Industrial Facility Tax. Applications are filed, reviewed and approved locally with the local unit determining the number of years granted, but are also subject to review at the state level by the Property Services Division and the Michigan Economic Development Corporation. The State Tax Commission is ultimately responsible for final approval and issuance of certificates. Exemptions are not effective until approved by the Commission.

PA 198 REQUIRES THAT THE REQUEST FOR THE ESTABLISHMENT OF A PROPOSED PLANT REHABILITATION DISTRICT OR INDUSTRIAL DEVELOPMENT DISTRICT MUST BE MADE PRIOR TO THE START OF CONSTRUCTION OF THE PROPERTY FOR WHICH EXEMPTION IS BEING SOUGHT.

THE CITY OF AUBURN HILLS POLICY REQUIRES THAT APPLICATIONS FOR INDUSTRIAL FACILITY EXEMPTION CERTIFICATES MUST BE FILED PRIOR TO THE BEGINNING CONSTRUCTION OF REAL PROPERTY IMPROVEMENTS OR THE PURCHASE OF PERSONAL PROPERTY FOR WHICH AN EXEMPTION IS BEING SOUGHT.

Contact the City Assessor at 248-370-9436 to determine if a property is within an established Industrial Development District or Plant Rehabilitation District. If a district is not established then the applicant must file a request to have the City Council of Auburn Hills establish a district.

Requests to establish an Industrial Development District or Plant Rehabilitation District are to be submitted in writing by the owner of the property along with a legal description of the property to the City Clerk of Auburn Hills. Once a district is established, the owner of lessee of proposed new real or personal property, or obsolete property may apply for an Industrial Facility Certificate by filing Michigan Department of Treasury Form 1012 and all required attachments, plus two additional copies, with the City Clerk of Auburn Hills.

Form 1012 and required attachments, and the City of Auburn Hills Tax Incentive Policy are available at www.auburnhills.org > Departments > Assessing > Tax Incentive Information.

Or, forms can be emailed by contacting wgriffin@auburnhills.org – Assessor or mcollias@auburnhills.org – Deputy Assessor

Applications are reviewed by the Assessor's Office and then forwarded to the City Council for final disposition.

Project must qualify within the guidelines of the City of Auburn Hills Tax Incentive Policy

Application Fees Required:

Request for IDD, CRD or PRD District:	\$600
IFEC Application:	\$800
Transfer	\$400
Concurrent Transfer/Extension	\$400
Amended Certificates	\$0

Application Checklist* (required items for NEW and TRANSFER Applications)

- Michigan Dept. of Treasury Form 1012 (Rev 5-07)
- Resolution Establishing District (obtain copy from Assessing)
- Legal Description
- Lease Agreement showing applicant's tax liability (if applicable)
- IFEC Agreement
- Affidavit of Fees - signed
- Speculative Building resolution and affidavits (If applicable)
- City of Auburn Hills Supplemental Information Form

Applications must be filed by September 1 to receive approval for the following tax year.