



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

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**DATE:** May 13, 2008  
**TO:** Assessors and Equalization Directors  
**FROM:** State Tax Commission  
**SUBJECT:** Classification of Wind Energy Systems

MCL 211.8 provides that wind energy systems are to be classified as personal property. However, the statute does not address which personal property classification they should be given. At their meeting on May 12, 2008, the State Tax Commission determined that these systems should be classified Industrial Personal.

Wind turbines are electrical generation systems. The definition contained in 211.34c for utility personal property does not refer to electrical generation sites. The definition in 211.34c for industrial real property includes electric generation sites as industrial parcels. Since the legislature apparently believed that an electrical generation site was an industrial activity and since the legislature has also determined that the wind turbines should be deemed to be personal property, we conclude that the most reasonable determination is that the classification the legislature would have intended is Industrial Personal Property.

The Commission also reviewed the issues of the proper treatment of the land on which the turbine is located. The Commission believes that land on which the turbine is located should be classified without regard to fact that the turbines are on the property, unless the land is owned by the owner of the wind turbine and is not being used for any purpose other than as a wind turbine site.