

Helpful Tips



As implementation of the changes to personal property tax begins in 2016, we want to make you aware of our support web site which offers a variety of resources and tools to assist with your filing needs and questions.

Please visit: www.Michigan.gov/ppt to access our support information.

- Start by clicking Personal Property Tax.
- Explore other information areas of the site by clicking the available links.

The **Personal Property Tax General Information Page** provides four options to access information:

- Personal Property Tax Exemption
- ESA(Essential Services Assessment)
- Local Unit Reimbursement
- Personal Property Tax Forms

Personal Property Tax Exemption Page

Detailed information about the following:

- Eligible Manufacturing Personal Property (EMPP) MCL 211.9m and MCL 211.9n Exemption
 - Bulletins
 - Required Forms
- Small Business Taxpayer Exemption – MCL 211.9o
 - Statute
 - Bulletin
 - Affidavit
 - Education Materials

Personal Property Tax

Information regarding personal property tax including: forms, exemptions and information for taxpayers and assessors regarding the [Essential Services Assessment](#).

NEW! - [Essential Services Assessment](#)

NEW! - [Personal Property Tax Information](#)

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Personal Property Tax General Information

The links below provide information for taxpayers and assessors regarding personal property tax exemptions, the forms that are required to report personal property tax or to claim an exemption from personal property tax, the Essential Services Assessment (ESA) and the local unit reimbursement due to certain personal property tax exemptions.

Personal Property Tax Exemptions

The General Property Tax Act provides for exemptions for certain categories of personal property including: Small Business Taxpayer Exemption, Eligible Manufacturing Personal Property and Act 328 – New Personal Property. This link will provide information on each of these exemptions including determining eligibility and how to claim the exemption.

ESA (Essential Services Assessment)

The Essential Services Assessment (ESA) is a state specific tax on eligible personal property owned by, leased to or in the possession of an eligible claimant. This link will provide information on ESA, who must pay ESA and how to file a statement and remit payment.

Local Unit Reimbursement

Includes information regarding local unit reimbursement for revenue lost due to certain personal property tax exemptions. Information includes: reports required to be filed by local units, how the revenue loss is calculated and how the reimbursement is distributed.

Personal Property Tax Forms

Links to forms required to be filed to pay personal property tax or to apply for personal property tax exemptions.

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Personal Property Tax Exemptions

The General Property Tax Act provides for exemptions for certain categories of personal property including: Small Business Taxpayer Exemption, Eligible Manufacturing Personal Property and Act 328 – New Personal Property. These links will provide information on each of these exemptions including determining eligibility and how to claim the exemption. Email us if you have questions at PPTQuestions@michigan.gov.

Eligible Manufacturing Personal Property (EMPP) MCL 211.9m and MCL 211.9n Exemption

Beginning December 31, 2015, qualified new personal property and qualified previously existing personal property is exempt from taxation.

Qualified New Personal Property is defined as property that was initially placed in service in this state or outside of the state after December 31, 2012 or that was construction in progress on or after December 31, 2012 that had not been placed in service in this state or outside of this state before 2013 and is eligible manufacturing personal property (EMPP).

Qualified Previously Existing Personal Property means personal property that was first placed in service within this state or outside of this state more than 10 years before the current calendar year and is eligible manufacturing personal property (EMPP).

- Bulletins
 - [Bulletin 7 of 2015 MCL 211.9m and N Personal Property Exemption](#)
 - [Bulletin 8 of 2015 Personal Property Tax Changes - Exemption Programs](#)
- [Required Form - Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment \(Form 5278\)](#)
- [Education Materials - Coming Soon](#)
- [FAQs - Coming Soon](#)

Small Business Taxpayer Exemption – MCL 211.9o

The small business taxpayer personal property exemption provides a complete exemption from personal property tax for industrial or commercial personal property when 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 and 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. **Form 5078 must be filed annually with the local tax collecting unit no later than February 15.**

- [Statute](#)
- [Bulletin](#)
- [Affidavit of Owner Eligible Personal Property Claiming Exemption from Collection of Tax \(Form 5078\)](#)
- [Education Materials](#)
- [FAQs - Coming Soon](#)

Essential Service Assessment (ESA) Page (www.michigan.gov/esa)

This page provides key ESA resources.

- ESA Topics – a topic driven education series
- Bulletins
- Statutory References
- Forms
- Key Dates – list of key dates for ESA deadlines
- Contact Us – submit a question to our team

Essential Service Assessment (ESA) Overview

[Return to Personal Property Tax General Information](#)

Businesses claiming the eligible manufacturing Personal Property Tax (PPT) exemption will be subject to a statewide special Assessment to fund essential services levied by local governments.

 [Click to subscribe to ESA email notifications](#)

What's New? ESA Topics

- [ESA Topics: IFT \(PA 198\) Property Reporting and Treatment](#)
- [ESA Topics: Business Personal Property Taxes](#)
- [ESA Topics: How to Claim the Exemption](#)
- [ESA Topics: Industrial Processing](#)

Bulletins

- [Bulletin 7 of 2015 MCL 211.9m and N Personal Property Exemption](#)
- [Bulletin 8 of 2015 Personal Property Tax Changes - Exemption Programs](#)
- [Bulletin 9 of 2015 Essential Services Assessment](#)

Statutory References

- [MCL 211.9m, Qualified New Personal Property Tax Exemption](#)
- [MCL 211.9n, Qualified Preexisting Personal Property Tax Exemption](#)
- [PA 92, State Essential Services Assessment Act of 2014](#)

Forms

- [Form 5278, Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment](#)
- [Form 5277, Affidavit to Recount Exemption of Eligible Manufacturing Personal Property Defined in MCL 211.9\(m\) and 211.9\(n\)](#)

Key Dates

2015

- **July 2015** – Bulletins Available

2016

- **February 22** – Form 5278 due to Local Unit
- **May 1** – Electronic ESA Statement available.
- **August 15** – Completed Statement and Full Payment due to Department of Treasury.
- **October 15** – Late filed statement and penalty due.
- **December 5** – STC issues order to rescind.
- **December 31** – Deadline to file an appeal to the STC.

Contact Us

[Submit a question about ESA.](#)

Local Unit Reimbursement Page

This page provides an overview of Local Unit Reimbursement including how to calculate a loss and claim reimbursement.

Information is available for the following:

- Requirements under PA 86 of 2014, MCL 123.1353
- Reimbursement Forms

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Local Unit Reimbursement

For the 2014 and 2015 personal property small taxpayer exemption loss, local taxing units are reimbursed for debt millage, and except for school districts and ISDs, for operating millage used to pay debt.

- Debt must be either incurred or approved by the voters before 2013.
- Cities are also reimbursed for their loss attributable to operating millage.

How to Calculate a Loss:

The small taxpayer exemption loss is calculated by subtracting the total 2014 taxable value of commercial personal and industrial personal property from the total 2013 taxable value of commercial personal and industrial personal property.

For 2015, the total 2015 taxable value of commercial personal and industrial personal property is used instead of the 2014 total if the 2015 total is lower than the 2014 amount.

How to Claim a Reimbursement:

To claim a reimbursement, local taxing units should file form 5192 for millage levied in July and form 5220 for millage levied in December. Forms available below.

Reimbursement is also provided for Tax Increment Financing (TIF) plans. To claim a reimbursement TIF plans must file form 5176 or 5176 BR. Forms available below.

2016

Beginning for 2016, all local taxing units are reimbursed for operating and debt millage, based on their personal property exemption loss, calculated by subtracting the current year taxable value of commercial personal and industrial personal property from the total 2013 taxable value of commercial personal and industrial personal property.

Requirements under PA 86 of 2014, MCL 123.1353:

- [Local Taxing Unit Debt Millage Rate Calculations are to Reflect State Reimbursement For Personal Property Tax Cut](#)

MCL 123.1353(6) "The department shall calculate and make available to each municipality by May 1 of each year that municipality's sum of the lowest rate of each individual millage levied in the period between 2012 and the year immediately preceding the current year"

- [2012-2014 Millage Rate Comparison-County, City, Village, Township](#)
- [2012-2014 Millage Rate Comparison-Local School District](#)
- [2012-2014 Millage Rate Comparison-IRS](#)
- [2012-2014 Millage Rate Comparison-Community College](#)
- [2012-2014 Millage Rate Comparison-Authorities](#)

Reimbursement Forms

Number	Form Title	Instructions / Notes
5192	Small Taxpayer Exemption Loss - July 2015 Debt Millage Reimbursement Claim	
5176	2015 Tax Increment Financing Small Taxpayer Loss Reimbursement - Non-Brownfield Authorities	
5176BR	2015 Tax Increment Financing Small Taxpayer Loss Reimbursement - Brownfield Authorities	
5220	Small Taxpayer Exemption Loss - December 2014 Debt Millage Reimbursement Claim	
5192	Small Taxpayer Exemption Loss - July 2014 Debt Millage Reimbursement Claim	

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Personal Property Tax Forms

Links to all forms required for filing personal property tax. This includes the Personal Property Tax Statement (Form 632), Affidavit of Owner Eligible Personal Property Claiming Exemption from Collection of Tax (Form 5078), EMP Affidavit and Statement for PPT and ESA (Form 5278) and all forms for "specific" personal property tax filings (ex wind turbines).

• [All Forms](#)

• Commonly Used Forms:

- [Form 632 \(Personal Property Tax Statement\)](#)
- [Form 5078 \(Affidavit of Owner Eligible Personal Property Claiming Exemption from Collection of Tax\)](#)
- [Form 5278 \(Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment\)](#)