

**ESA Topic of the Week:** How do I know if my IFT (PA 198) or PA 328 exemption is considered extended or non-extended?

### **IFT (PA 198) Exemption:**

- Was the IFT certificate in effect **on or after December 31, 2012?**

If yes, then the IFT certificate can be extended.

If no, the personal property should have been returned to the Ad Valorem roll upon expiration of the IFT certificate. Depending on the year first placed in service, the property is reported in Part 2 (non-exempt) and Part 3 (exempt) of Form 5278.

- Is the end date of the IFT certificate before or after the personal property is exempt under MCL 211.9m or MCL 211.9n? (See attached personal property phase out chart.)

If the end date of the IFT certificate is before the personal property is exempt under MCL 211.9m or MCL 211.9n, then the IFT certificate is extended until the personal property is exempt under MCL 211.9m or MCL 211.9n.

If the end date of the IFT certificate is after the personal property is exempt under MCL 211.9m or MCL 211.9n, then the IFT certificate is not extended.

### **PA 328 Exemption:**

- Was the PA 328 in effect **on or after December 31, 2012?**

If yes, then the PA 328 exemption will remain in effect (not necessarily extended – see additional guidance below).

If no, the personal property should have been returned to the Ad Valorem roll upon expiration of the PA 328 exemption. The personal property is reported in Part 2 (non-exempt) and Part 3 (exempt) of Form 5278.

- Is the end date of the PA 328 exemption before or after the personal property is exempt under MCL 211.9m and/or MCL 211.9n? (See attached personal property phase out chart.)

If the end date of the PA 328 exemption is before the personal property is exempt under MCL 211.9m or MCL 211.9n, then the PA 328 exemption is extended until the personal property is exempt under MCL 211.9m or MCL 211.9n.

If the end date of the PA 328 is after the personal property is exempt under MCL 211.9m or MCL 211.9n, then the PA 328 exemption is not extended and the exemption **continues as is** until its originally approved expiration date.

## Personal Property Phase Out Chart

October 22, 2015

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2016</b>	2015	
	2014	
	2013	
		2012
		2011
		2010
		2009
		2008
		2007
		2006
	2005 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2017</b>	2016	
	2015	
	2014	
	2013	
		2012
		2011
		2010
		2009
		2008
		2007
	2006 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2018</b>	2017	
	2016	
	2015	
	2014	
	2013	
		2012
		2011
		2010
		2009
		2008
	2007 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2019</b>	2018	
	2017	
	2016	
	2015	
	2014	
	2013	
		2012
		2011
		2010
		2009
	2008 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2020</b>	2019	
	2018	
	2017	
	2016	
	2015	
	2014	
	2013	
		2012
		2011
		2010
	2009 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2021</b>	2020	
	2019	
	2018	
	2017	
	2016	
	2015	
	2014	
	2013	
		2012
		2011
	2010 and Earlier	

Tax Year	Exempt and Subject to ESA	Pays Ad Valorem
<b>Tax Year 2022</b>	2021	
	2020	
	2019	
	2018	
	2017	
	2016	
	2015	
	2014	
	2013	
		2012
	2011 and Earlier	

After 2023, All Eligible Personal Property is subject to the ESA Specific T