

**State Tax Commission
Policy Statement**

**Plant Rehabilitation and Industrial Development Districts
(PA 198 of 1974, as amended)
Alternative Energy Systems**

As provided by Section 2(6) of Public Act 198 of 1974, as amended, industrial property is real and/or personal property, that when comprised as an integrated whole, has a primary purpose defined and included under this act.

Effective immediately, an alternative energy system used to create energy that is used to accomplish the company's primary industrial purpose as allowed under Section 2(6) of the Act, such as the manufacturing of goods or materials may be included in an industrial facilities exemption. Alternative energy systems include, but are not limited to, solar and wind energy systems. The energy created by the alternative energy system may not be sold, traded or otherwise used outside the company. An alternative energy system must be part of an exemption received primarily for a statutorily allowed activity. An alternative energy system by itself does not qualify for an exemption.