

**State Tax Commission
Policy Statement**

**Commercial Rehabilitation Act
(PA 210 of 2005, as amended)
Qualified Retail Food Establishments**

Public Act (PA) 231 of 2008 amended the Commercial Rehabilitation Act, PA 210 of 2005, to allow “qualified retail food establishments” that offer healthy and affordable food options to qualify for the Commercial Rehabilitation Exemption in “underserved areas” that are sometimes known as “food deserts.” PA 231 added a definition for “underserved areas” and “qualified retail food establishments” to the Commercial Rehabilitation Act. With the assistance of the Department of Agriculture, a list of census tracts in the State that meet the definition of a qualified “underserved area” has been prepared and made available.

The definition of a “qualified retail food establishment” requires, among other things, that the “...property will be used **primarily** as a retail supermarket, grocery store, produce market, or delicatessen that offers...”

It is the policy of the State Tax Commission that at least 75% of the property (based on sales floor square footage) must be used as a supermarket, grocery store, produce market, or delicatessen, as those types of retail establishments are normally utilized, to be considered “used primarily” as a retail supermarket, grocery store, produce market, or delicatessen.