

State Tax Commission January 6, 2010 Tip
Topic: Classification of Vacant Buildings or Parcels



Dear STaCy,

I have some additional questions regarding the industrial classification:

Should a vacant parcel that will likely be developed for an industrial purpose be classified as Industrial Real Property?

Should a vacant building that will likely be next used for an industrial purpose be classified as Industrial Real Property?

Sincerely,
Edi Void

Dear Mr. Void:

This has certainly been a common question in the past few weeks but really no simple answer. We would recommend that assessors consider the following:

If a vacant parcel is likely to be developed for an industrial purpose, we would agree that it could be classified as Industrial Real Property.

Vacant buildings are a bit more complicated. We would advise assessors to look at the most recent use of the building, the most practical use of the building, the likely next use and the use of surrounding similar structures.

Assessors who have questions on specific parcels can contact Kelli Sobel or Nancy Armstrong at any time via email to state-tax-commission@michigan.gov (not a live link) or via phone at 517-335-3429.

Sincerely,
STaCy