

Neighborhood Enterprise Zone Act  
Public Act 147 of 1992, as amended  
“New Facility” NEZ Tax Rates

The Neighborhood Enterprise Zone (NEZ) Act authorizes a specific tax to be levied on real property (excluding land) with a valid NEZ certificate in lieu of the ad valorem tax. The NEZ tax rate for “New Facility” certificates, based on the issuance date of the certificate and the property owner’s Principal Residence Exemption (PRE) status, is equal to one-half of the preceding year’s Commercial, Industrial, and Utility property state average tax rate or PRE state average tax rate.

“New Facility” certificates using these NEZ tax rates include certificates issued before January 1, 2006, that have not been granted an extension under Section 12(1); that have been granted an extension under Section 12(1), except for the final three years of the certificate; and certificates issued after December 31, 2005, except for the final three years of the certificate.

Current Tax Year	Commercial, Industrial, Utility State Average Tax Rate	NEZ Non-PRE Tax Rate	PRE State Average Tax Rate	NEZ PRE Tax Rate
2016	52.33	<b>26.165</b>	34.21	<b>17.105</b>
2017	52.95	<b>26.475</b>	34.55	<b>17.275</b>
2018	52.96	<b>26.480</b>	34.56	<b>17.280</b>
2019	53.23	<b>26.615</b>	34.96	<b>17.480</b>
2020	53.38	<b>26.690</b>	35.04	<b>17.520</b>
2021	53.86	<b>26.930</b>	35.44	<b>17.720</b>
2022	53.81	<b>26.905</b>	35.12	<b>17.560</b>
2023	53.79	<b>26.895</b>	34.99	<b>17.495</b>
2024	53.92	<b>26.960</b>	35.04	<b>17.520</b>
2025	54.16	<b>27.080</b>	35.18	<b>17.590</b>

The state average tax rates above are determined annually by the Michigan Department of Treasury, Property Services Division. Any questions regarding the calculation of the NEZ specific tax should be addressed to the Michigan Department of Treasury, Community Services Division (517) 335-7491.