

Personal Property Exemption 2021

You may qualify!

Taxpayers are no longer required to annually file Form 5076 in order to claim the exemption.

If a taxpayer did not file for the exemption in 2020, it can be claimed for 2021 by filing Form 5076 by February 22nd. Once granted, the exemption will continue until the taxpayer no longer qualifies. At that point, the taxpayer is required to file Rescission Form 5618 and a personal property statement no later than February 22nd of the year that the property is no longer eligible. Failure to file a Rescission Form will result in significant penalty and interest as prescribed by PA 132 of 2018.

To be eligible, a taxpayer must meet ALL of the following:

- The exemption must be properly claimed (this is done by filing the affidavit by **February 22nd**); **and**
- The personal property must be classified as industrial personal property or commercial personal property as defined in MCL 211.34c or would be classified as industrial personal property or commercial personal property if not exempt; **and**
- The **combined true cash value** of all industrial personal property and commercial personal property **owned by, leased by or in the possession of the owner or a related entity** claiming this exemption **is less than \$80,000** in the local tax collecting unit; **and**
- The property is not leased to or used by a person that previously owned the property or a person that, directly or indirectly controls, is controlled by, or under common control with the person that previously owned the property.

NOTE: Analysis is necessary beyond just doubling last year's assessment.

If you feel you qualify for this exemption, you must complete, in its entirety, and return to the Assessor by **February 22nd**, the "Small Business Property Tax Exemption Claim Under MCL 211.9o," Michigan Dept of Treasury Form 5076, included with this notice.

To claim this exemption, the completed form must be postmarked no later than February 22nd. Your exemption may: 1) be denied by the local assessor if it is determined you do not qualify for this exemption; or 2) not be accepted by the local assessor if the Affidavit is not completely filled out or is received with a postmark after February 22nd. **Late forms MUST be filed with a completed petition (form L-4035, which can be found at: http://www.michigan.gov/docs/I4035f_2658_7.pdf) directly with the 2021 March Board of Review prior to the closure of the March Board.**

The taxpayer must keep adequate books and records relating to:

- The description - Date of purchase, lease or acquisition - The purchase price, lease amount, or value of all industrial personal property and commercial personal property owned by, leased by or in the possession of that person or a related entity - Records must be kept for 4 years. These records are subject to audit.

Further information regarding this exemption can be found on the State's website:

www.michigan.gov/taxes,
click on **Property Taxes** Tab,
then **NEW! Personal Property Tax Information**.