

**IMPORTANT NOTICE TO PERSONS HOLDING
PERSONAL PROPERTY IN GAINES CHARTER TOWNSHIP**

The legislature made changes to the Personal Property tax law which first impacted small businesses in 2014. **Starting in 2014, personal property owned, leased or controlled by an owner or related entity in a jurisdiction with a true cash value of less than \$80,000 is exempt from personal property taxes.**

For 2015 and beyond, there are several important points the property owner must be aware of:

1. *The property owner must file an affidavit **EACH YEAR** with the Assessor's office by February 20th of that year.*
2. *Personal property owners who file the affidavit are not required to file a personal property statement. They are required to maintain records documenting their property value and make those records available to the Assessor upon request in order to confirm qualification for the exemption. The Assessor may deny the exemption and go back up to three (3) years if he or she believes the equipment is not eligible.*
3. *The law does not allow a property owner to divide up his property among separate entities to avoid taxes. Additionally, leased equipment **IS** included in the calculation of total value.*

Beginning December 31, 2015, qualified new personal property and qualified previously existing personal property located on occupied real property is exempt from ad valorem taxation and is instead subject to the State Essential Services Assessment. To claim this exemption, a fully completed Form 5278 **must be completed and filed with the Assessors office no later than February 20th 2018.** Taxpayers should not complete this affidavit and statement unless the personal property meets the definition of eligible **Manufacturing Personal Property**. The form and more information are available on the state's website: <http://www.michigan.gov/taxes/>.

Included in this mailing are the Affidavit of Owner of Eligible Personal Property (Form 5076) and the Personal Property Statement (Form L-4175). They are also available on our website at <http://gainestownship.org/> and at <http://michigan.gov/treasury>.

IF YOU HAVE QUESTIONS, CALL US.

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