Michigan Chamber Urges Governor Whitmer to Sign Property Tax Relief Legislation

LANSING, Mich., July 6, 2020 /PRNewswire/ -- Michigan Chamber is concerned the Governor will veto bills that will provide necessary relief for businesses across the state. Last week, two bills (HB 5761 and HB 5810) sponsored by Representative James Lower passed the Michigan House unanimously and with overwhelming bipartisan support in the Senate that would provide almost $1 billion in property tax relief to individuals and businesses negatively impacted by state mandated, coronavirus shut down orders. It is unclear, however, whether the Governor will sign these bills into law.



"It should not come as a surprise to anyone that businesses forced to close or extremely limit their operations for over an entire calendar quarter have been unable to earn the necessary revenue to pay their summer property tax bill which, for some businesses, is their largest annual expense," says Dan Papineau, Director of Tax Policy and Regulatory Affairs.

The legislation gives some negatively impacted businesses and individuals an extension to pay their property tax bill without incurring penalty and interest. All the while it protects local governments, schools and state government from cashflow issues of their own.

"If these bills are not enacted into law, we know that many businesses will simply not be able to pay their property tax bill and/or likely close. If this happens, local governments, schools and state government will incur significant cash flow problems," says Papineau. "Schools alone could be facing a $600-$700 million-dollar cash crunch unless these bills are enacted". While offering an estimated $1 billion in relief, the program would cost the state little to nothing to run.

"Some businesses are still closed, and many are operating under limited capacity. In order to ensure the quickest economic recovery possible, avoid cash flow issues for our local governments and schools, and to help individuals who have fallen on hard times, the Governor must enact this program into law. This is the common sense, win-win-win for businesses and individuals need right now", closed Papineau.

The Michigan Chamber is a statewide business organization that represents approximately 5,000 employers, trade associations and local chambers of commerce. The Chamber represents businesses of every size and type in all 83 counties of the state. It was established in 1959 to be an advocate for Michigan job providers in the legislative, political and legal process.
www.michamber.com

SOURCE Michigan Chamber of Commerce

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