

## House Tax Policy

### SB 698 (Runestad) - Location of Personal Property on Tax Day

Mr. Chair and Committee Members,

I am Mike Johnston, VP of Government Affairs at MMA. Thank you for the opportunity be here today to offer our support for [SB 698 \(Runestad\)](#).

I am pleased to once again to be in front of you with my friends from Treasury showing unity and cooperation.

This bill addresses one of the many challenges COVID-19 continues to create. With many people continuing to work remotely, and using company equipment, such as laptops, monitors, printers, chairs, etc., the tracking of that equipment for personal property tax purposes creates an administrative nightmare for both businesses and local units of government. Personal property is taxed where sits on Tax Day, Dec. 31 of each year.

Last year this committee supported the SB 1203 (Runestad), which became PA 352 of 2020, which simply assumed all of the property was in its "original location" on "tax day" Dec. 31, 2019 for tax year 2021. This bill simply adds tax year 2022 as another one year solution.

The bill has no revenue implications, because all property will be taxed as it otherwise would be for tax year 2022.

We have worked with Treasury and our friends at the State Tax Commission, and they are supportive of the bill. We have also worked with or friends representing local government groups I believe none of them have concerns. I also understand the Michigan Assessors Association is not opposed. I will let these organizations speak for themselves, but this is my understanding.

We would appreciate your support, to avoid a COVID-19 related administrative nightmare.

Thank you, Mr. Chair. I am happy to respond to any questions.

For more information, please feel free to contact me directly office, 517-487-8554, [johnston@mimfg.org](mailto:johnston@mimfg.org).