A Resolution in Support of Fully Replacing, Not Just Erasing
Michigan's Personal Property Tax

Whereas, the City of Albion has experienced a significant decline in property tax values, which has caused unprecedented fiscal constraints; and

Whereas, at the same time the City of Albion has confronted consistent reductions in State Shared Revenue, as part of the $4 Billion in cuts to State Shared Revenue statewide; and

Whereas, due to this unrelenting fiscal pressure, the City of Albion has been compelled to reduce the level of municipal services historically provided to the residents, businesses and schools in our community; and

Whereas, these municipal services protect the health, safety and welfare of our citizens, and are an essential component of building a strong local economy and maintaining a vibrant community; and

Whereas, it is proposed by some that the Michigan Personal Property Tax be erased; and

Whereas, an additional loss of municipal revenue will compound and exacerbate the financial hardship this community, its residents and its businesses, are currently experiencing; and

Whereas, the importance of the Personal Property Tax to local communities is underscored by the fact that it is a particularly stable source of needed revenue, facilitating efficient management; and

Whereas, the elimination of the Personal Property Tax would result in a 17% reduction in property tax revenues and would therefore result in a loss of $206,000 every year to the City of Albion; and

Whereas, even further cuts in vital local services would then be necessary, including a devastating impact on economic development activities.

Now, Therefore, Be It Resolved, that the Economic Development Corporation of the City of Albion urges the Legislature and the governor to specifically condition any change in the Michigan Personal Property Tax that would result in a reduction in revenue from this tax to local governments, to a full, not partial, amount of replacement revenue; and

Be It Finally Resolved, that on behalf of our citizens, businesses and schools, and in recognition of the vital importance substantial and stable revenue derived from Michigan's Personal Property Tax will have on our future economic success, the
Economic Development Corporation of the City of Albion urges the Legislature and the governor to Replace, not Erase, the Michigan Personal Property Tax.

I hereby certify that the above resolution was adopted on October 6, 2011 in a regular meeting of the Economic Development Corporation Board of Directors and this is a true copy of that resolution.

Ayes: 7

Nays: 0

Absent: 0

Raymond L. Campbell, Board Secretary