

DATE: September 20, 2023

TO: Michigan House of Representatives

FROM: The Detroit Regional Chamber

SUBJECT: HB 4966-4970, Land Tax Equity Act

Detroit property taxes have been a longstanding concern for the Detroit community. HB 4966-4970, also known as the Land Tax Equity Act, will rejuvenate Detroit's landscape and promote economic growth through tax incentives. The Detroit Regional Chamber supports this initiative and believes this legislation will help push Detroit toward a new era of prosperity.

The Land Tax Equity Act will allow local municipalities to vote to increase taxes on vacant, blighted, or otherwise unsightly lots and transfer that increased government revenue into tax cuts for homeowners, small businesses, and new investors.

If these bills are passed through the legislature, Detroiters will have the opportunity to:

- **Reduce property taxes** on Detroit homes **by an estimated 17%**.
- Bring **property tax rates in line with surrounding suburbs**, such as Ferndale, Southfield, and Grosse Pointe.
- **Penalize vacant lots** by raising taxes from an average of \$30 to \$55, with exemptions for community gardens and other similar spaces. Other negatively impacted properties will get the same 14-mill tax cut on any improvements they make on the property.

Your vote today will not raise taxes; it gives power to Detroiters who want to see their neighborhoods transformed. This will incentivize speculators who have been holding onto vacant land for decades to sell their property to local developers who want to be part of today's economic transformation.

Passing the Land Tax Equity Act is only the first step in the process of returning land to Detroiters, but your action today is the most important.