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<https://cityofharrison-mi.gov>

*"The City of Harrison is an Equal Opportunity Employer and Provider"*

## **Neighborhood Enterprise Zone (NEZ) Application Packet**

### **City of Harrison, Michigan**

#### ***Instructions, Forms, and Supporting Documentation***

### **Introduction**

This guide outlines the application process and documentation requirements for requesting a Neighborhood Enterprise Zone (NEZ) property tax exemption in the City of Harrison. The NEZ exemption is available to eligible residential properties located within the City's designated NEZ district and offers a reduction in property taxes for a defined period, typically between 6 and 15 years, subject to local and state approval.

Applicants are encouraged to review the entire packet carefully and gather all required documentation prior to submission. If you have any questions at any stage in the process, please contact:

Justin Cavanaugh  
City Manager & Clerk  
[Manager@CityofHarrison-MI.gov](mailto:Manager@CityofHarrison-MI.gov)  
989-539-7145, option 9

### **Who May Apply**

To be eligible for the NEZ exemption, all of the following must apply:

- The property is located within the NEZ district boundaries established by the City of Harrison;
- The property is being used for residential purposes, either as:
  - A newly constructed home,
  - A rehabilitated home, or
  - A qualified homestead facility;

- The applicant submits a complete application using the correct form (see below) and provides all required supporting documents.

## **Application Timing and Deadlines**

All NEZ exemption applications are subject to State Tax Commission deadlines and processing cycles. To ensure consideration for the upcoming tax year:

Applications must be received by the City, reviewed and approved by Council, certified by the Assessor, and submitted to the State Tax Commission by October 31.

The exemption, if granted, will begin the following tax year.

For Form 4775 (New/Rehab projects), applications must be filed before the start of construction and before building permits are issued, unless the City adopts a resolution permitting late filing within six months of permit issuance.

These deadlines are derived from MCL 207.775 and State Treasury instructions as of 2023.

## **Which Form Should I Use?**

You must use the correct application form based on the type of project and your property. Both forms are included in this packet.

### **Form 4775 – NEZ Certificate (New Construction or Rehab)**

Use this form if:

- You are building a new home, or
- You are conducting a rehabilitation that improves the property's condition significantly, and
- The work has not yet started, and permits have not yet been issued.

Additional conditions:

- Applies to houses, duplexes, condos, lofts, and apartments.
- The owner may be a resident, developer, or contractor.

- Attachments required:
- Legal description
- Parcel ID
- Warranty deed or conveyance document
- Building/trade permits
- Certificate of occupancy/code compliance (post-construction)

### **PRE Affidavit (if applicable)**

Rehab only: investment breakdown and assessor valuation statement



This form must be submitted before construction starts unless a resolution allows a late filing (within 6 months).

### **Form 4776 – NEZ Homestead Facility Certificate**

Use this form if:

- You live in the home as your principal residence, AND
- The home has one or two units, AND
- You purchased the home after December 31, 1996, AND
- The home is in a subdivision platted before January 1, 1968 (or meets alternative criteria for large counties/cities).

Additional conditions:

- You must invest at least \$500 in improvements within the first three years.
- This form does not apply to large-scale renovations or new construction.
- Attachments required:
- Legal description
- Parcel ID
- Warranty deed
- Statement of planned investment
- Owner certification of primary residence status

## **Application Review Process**

Once submitted to the City of Harrison, the application will follow these steps:

### **Clerk Review**

- Verify use of the correct form
- Confirm completeness and required documentation
- Schedule for Council approval

### **City Council Action**

- Vote to approve or deny the application by resolution
- Determine the number of years for the exemption (6 to 15)

### **Assessor Certification**

- Confirms eligibility
- Ensures the property is not on any other special tax roll
- Signs and returns to Clerk

### **Submission to the State Tax Commission**

- City forwards application and resolution to the STC for final processing
- If approved, a certificate is issued and the tax reduction begins the following year

## **Important Legal Notices**

- Submission of this packet does not guarantee approval by the City or the State.
- All exemptions are subject to the discretion of the State Tax Commission, and subject to audit.
- Providing false or misleading information may result in revocation of the certificate and collection of full taxes due.
- NEZ exemptions apply only to structures, not the land.
- Once issued, an NEZ certificate cannot be transferred to a new owner unless reapplication and reapproval are completed.