

**NEW TOOL AND DIE RENAISSANCE RECOVERY ZONE (“RECOVERY ZONE”)
FOR JANUARY 1, 2007**

**Michigan Strategic Fund Board
December 20, 2006**

Michigan Coast to Coast Tool & Die Collaborative

The Michigan Strategic Fund (MSF) received an application from the Michigan Coast to Coast Tool & Die Collaborative for designation as a Recovery Zone. There are a total of 16 companies eligible for a Recovery Zone designation and participating in the collaborative agreement.

The local governmental units where four companies are located have, by resolution, approved the creation of a **5 year** Recovery Zone that would begin January 1, 2007, for Single Business Tax (SBT) and income tax purposes and end December 31, 2011. For property tax purposes, the zone would begin December 31, 2006. The individual companies and Recovery Zone locations are:

Avon Broach & Production Company - 1089 John R Road, Rochester Hills
Resolution from the City of Rochester Hills, Oakland County, for 5 years

Metric Die & Engineering, Inc. - 320 Marion Ave SW & 333 Fransman Place SW, Grand Rapids
Resolution (with 2 company addresses) from the City of Grand Rapids, Kent County, for 5 years

Michigan Wire EDM Services, Inc. - 1221 Taylor Avenue N, Grand Rapids
Resolution from the City of Grand Rapids, Kent County, for 5 years

Midwest Mold Services, Inc. - 29900 Hayes Road, Roseville
Resolution from the City of Roseville, Macomb County, for 5 years

The local governmental units where two companies are located have, by resolution, approved the creation of an **8 year** Recovery Zone that would begin January 1, 2007, for Single Business Tax (SBT) and income tax purposes and end December 31, 2014. For property tax purposes, the zone would begin December 31, 2006. The individual companies and Recovery Zone locations are:

AccuBilt, Inc. - 2365 Research Drive, Jackson
Resolution from the City of Jackson, Jackson County, for 8 years

Premier Industries Corporation - 513 N. Dixie Highway, Monroe
Resolution from the City of Monroe, Monroe County, for 8 years

The local governmental units where five companies are located have, by resolution, approved the creation of a **10 year** Recovery Zone that would begin January 1, 2007, for Single Business Tax (SBT) and income tax purposes and end December 31, 2016. For property tax purposes, the zone would begin December 31, 2006. The individual companies and Recovery Zone locations are:

Eagle Tool Company -1 company; 2 separate locations
1) 101 Woodward Avenue, Kingsford
Resolution from the City of Kingsford, Dickinson County, for 10 years
2) 601 Industrial Drive, Iron Mountain
Resolution from the City of Iron Mountain, Dickinson County, for 10 years

Mattson Tool & Die Corporation - 5670 W River Road NE, Belmont
Resolution from Plainfield Township, Kent County, for 10 years

Companies with a Resolution for 10 Year Recovery Zone - Continued

R & A Tool & Engineering Company - 39127 Ford Road, Westland
Resolution from the City of Westland, Wayne County, for 10 years

Sharp Model Company - 70745 Powell Road, Romeo
Resolution from the Village of Romeo, Macomb County, for 10 years

Three M Tool & Machine, Inc. - 8155 Richardson Road, Walled Lake
Resolution from Commerce Township, Oakland County, for 10 years

The local governmental units where five companies are located have, by resolution, approved the creation of a **15 year** Recovery Zone that would begin January 1, 2007, for Single Business Tax (SBT) and income tax purposes and end December 31, 2021. For property tax purposes, the zone would begin December 31, 2006. The individual companies and Recovery Zone locations are:

American Die Corporation - 50650 E Russell Schmidt Blvd., Chesterfield
Resolution from Chesterfield Township, Macomb County, for 15 years

Diamond Die & Mold Company - 35041 Groesbeck Highway, Clinton Township
Resolution from Clinton Township, Macomb County, for 15 years

Kammer Tool & Die, Inc. - 2900 Highland Blvd., Hudsonville
Resolution from the City of Hudsonville, Ottawa County, for 15 years

Precision Design and Manufacturing, Inc. - 3620 Highland Drive, Hudsonville
Resolution from the City of Hudsonville, Ottawa County, for 15 years

Wedge-Mill Tool, Inc. - 7771 Kensington Court, Brighton
Resolution from Greek Oak Township, Livingston County, for 15 years

The following tables show the duration of the 5, 8, 10, and 15 year Recovery Zones. Tax relief will be phased out in 25% increments over the last three years of the zone designation.

5 Year Recovery Zone

| <u>Year #</u> | <u>Comprises</u> | <u>% of Tax Exemption, Deduction, or Credit</u> |
|---------------|------------------|---|
| 1 | 2007 | 100% |
| 2 | 2008 | 100% |
| 3 | 2009 | 75% |
| 4 | 2010 | 50% |
| 5 | 2011 | 25% |
| 6 | 2012 | 0% |

8 Year Recovery Zone

| <u>Year #</u> | <u>Comprises</u> | <u>% of Tax Exemption, Deduction, or Credit</u> |
|---------------|------------------|---|
| 1 | 2007 | 100% |
| 2 | 2008 | 100% |
| 3 | 2009 | 100% |
| 4 | 2010 | 100% |
| 5 | 2011 | 100% |
| 6 | 2012 | 75% |
| 7 | 2013 | 50% |
| 8 | 2014 | 25% |
| 9 | 2015 | 0% |

10 Year Recovery Zone

| <u>Year #</u> | <u>Comprises</u> | <u>% of Tax Exemption, Deduction, or Credit</u> |
|---------------|------------------|---|
| 1 | 2007 | 100% |
| 2 | 2008 | 100% |
| 3 | 2009 | 100% |
| 4 | 2010 | 100% |
| 5 | 2011 | 100% |
| 6 | 2012 | 100% |
| 7 | 2013 | 100% |
| 8 | 2014 | 75% |
| 9 | 2015 | 50% |
| 10 | 2016 | 25% |
| 11 | 2017 | 0% |

15 Year Recovery Zone

| <u>Year #</u> | <u>Comprises</u> | <u>% of Tax Exemption, Deduction, or Credit</u> |
|---------------|------------------|---|
| 1 | 2007 | 100% |
| 2 | 2008 | 100% |
| 3 | 2009 | 100% |
| 4 | 2010 | 100% |
| 5 | 2011 | 100% |
| 6 | 2012 | 100% |
| 7 | 2013 | 100% |
| 8 | 2014 | 100% |
| 9 | 2015 | 100% |
| 10 | 2016 | 100% |
| 11 | 2017 | 100% |
| 12 | 2018 | 100% |
| 13 | 2019 | 75% |
| 14 | 2020 | 50% |
| 15 | 2021 | 25% |
| 16 | 2022 | 0 |

The entire application is on file with the Michigan Strategic Fund.