

**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 269**

A bill to amend 1975 PA 228, entitled  
"Single business tax act,"  
(MCL 208.1 to 208.145) by adding section 38g.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 38G. (1) SUBJECT TO THE CRITERIA UNDER THIS SECTION, AN  
2 ELIGIBLE TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY  
3 THIS ACT AS DETERMINED UNDER SUBSECTIONS (19) TO (24); AND  
4 SUBJECT TO THE CRITERIA UNDER THIS SECTION, A QUALIFIED TAXPAYER  
5 THAT HAS A CERTIFICATE ISSUED BEFORE JANUARY 1, 2002 OR THAT HAS  
6 A PREAPPROVAL LETTER ISSUED AFTER DECEMBER 31, 1999 AND BEFORE  
7 JANUARY 1, 2003, IF THE PROJECT IS COMPLETED NOT MORE THAN 5  
8 YEARS AFTER THE PREAPPROVAL LETTER IS ISSUED, OR AN ASSIGNEE  
9 UNDER SUBSECTION (16) OR (17) MAY CLAIM A CREDIT THAT HAS BEEN  
10 APPROVED UNDER SUBSECTION (2) OR (3) AGAINST THE TAX IMPOSED BY  
11 THIS ACT EQUAL TO EITHER OF THE FOLLOWING:

1       (A) IF THE TOTAL OF ALL CREDITS FOR A PROJECT IS  
2 \$1,000,000.00 OR LESS, 10% OF THE COST OF THE QUALIFIED  
3 TAXPAYER'S ELIGIBLE INVESTMENT PAID OR ACCRUED BY THE QUALIFIED  
4 TAXPAYER ON AN ELIGIBLE PROPERTY. IF THE PROJECT IS A PROJECT  
5 FOR WHICH A PREAPPROVAL LETTER IS ISSUED, THE PROJECT SHALL NOT  
6 EXCEED THE AMOUNT STATED IN THE PREAPPROVAL LETTER. IF ELIGIBLE  
7 INVESTMENT EXCEEDS THE AMOUNT OF ELIGIBLE INVESTMENT IN THE PRE-  
8 APPROVAL LETTER FOR THAT PROJECT, THE TOTAL OF ALL CREDITS FOR  
9 THE PROJECT SHALL NOT EXCEED THE TOTAL OF ALL CREDITS ON THE CER-  
10 TIFICATE OF COMPLETION.

11       (B) IF THE TOTAL OF ALL CREDITS FOR A PROJECT IS MORE THAN  
12 \$1,000,000.00 BUT \$30,000,000.00 OR LESS, A PERCENTAGE AS DETER-  
13 MINED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY NOT TO EXCEED 10%  
14 OF THE COST OF THE QUALIFIED TAXPAYER'S ELIGIBLE INVESTMENT AS  
15 DETERMINED UNDER SUBSECTION (7) PAID OR ACCRUED BY THE QUALIFIED  
16 TAXPAYER ON AN ELIGIBLE PROPERTY. IF ELIGIBLE INVESTMENT EXCEEDS  
17 THE AMOUNT OF ELIGIBLE INVESTMENT IN THE PREAPPROVAL LETTER FOR  
18 THAT PROJECT, THE TOTAL OF ALL CREDITS FOR THE PROJECT SHALL NOT  
19 EXCEED THE TOTAL OF ALL CREDITS ON THE CERTIFICATE OF  
20 COMPLETION.

21       (2) FOR APPLICATIONS FOR PROJECTS BEFORE JANUARY 1, 2002, IF  
22 THE COST OF THE PROJECT WILL BE \$10,000,000.00 OR LESS, THE TAX-  
23 PAYER SHALL APPLY TO THE DEPARTMENT FOR CERTIFICATION OF THE  
24 PROJECT. TO BE ELIGIBLE FOR A CREDIT FOR A PROJECT, A TAXPAYER  
25 SHALL FILE AN APPLICATION WITH THE DEPARTMENT ON OR BEFORE  
26 OCTOBER 15, 2001. IF THE TAXPAYER SHOWS THAT THE ELIGIBLE  
27 INVESTMENT WILL BE MADE TO OR ON ELIGIBLE PROPERTY, THE

1 DEPARTMENT SHALL CERTIFY THAT THE PROJECT IS ELIGIBLE FOR THE  
2 CREDIT. WITHIN 45 DAYS OF RECEIPT OF THE APPLICATION, THE  
3 DEPARTMENT EITHER SHALL ISSUE A CERTIFICATE THAT INCLUDES A  
4 STATEMENT THAT THE TAXPAYER IS A QUALIFIED TAXPAYER, THE MAXIMUM  
5 TOTAL ELIGIBLE INVESTMENT FOR THE PROJECT ON WHICH CREDITS UNDER  
6 THIS SUBSECTION MAY BE CLAIMED WHEN THE PROJECT IS COMPLETED, AND  
7 THE PROJECT NUMBER ASSIGNED BY THE DEPARTMENT OR SHALL DETERMINE  
8 THAT THE APPLICANT FAILED TO MEET THE ELIGIBILITY REQUIREMENTS  
9 FOR A CERTIFICATE. IF THE DEPARTMENT DETERMINES THAT THE APPLI-  
10 CANT FAILED TO MEET THE ELIGIBILITY REQUIREMENTS FOR A CERTIFI-  
11 CATE, THE DEPARTMENT SHALL NOTIFY THE APPLICANT, IN WRITING, OF  
12 THE DEFICIENCIES. AN APPLICANT MAY RESUBMIT AN APPLICATION THAT  
13 FAILED TO MEET THE REQUIREMENTS FOR A CERTIFICATE TO CORRECT THE  
14 DEFICIENCIES. FOR APPLICATIONS FOR PROJECTS AFTER DECEMBER 31,  
15 2001 AND BEFORE JANUARY 1, 2003, IF THE COST OF A PROJECT WILL BE  
16 FOR \$10,000,000.00 OR LESS, A TAXPAYER SHALL APPLY TO THE STATE  
17 TREASURER FOR APPROVAL OF THE PROJECT UNDER THIS SUBSECTION. THE  
18 STATE TREASURER SHALL APPROVE OR DENY THE PROJECT NOT MORE THAN  
19 45 DAYS AFTER RECEIPT OF THE APPLICATION. IF THE STATE TREASURER  
20 DOES NOT APPROVE OR DENY AN APPLICATION WITHIN 45 DAYS AFTER HE  
21 OR SHE RECEIVES THE APPLICATION, THE APPLICATION IS CONSIDERED  
22 APPROVED AS WRITTEN. THE TOTAL OF ALL CREDITS FOR PROJECTS  
23 APPROVED OR FOR WHICH CERTIFICATES ARE ISSUED UNDER THIS SUBSEC-  
24 TION SHALL NOT EXCEED \$90,000,000.00. IF THE TOTAL OF ALL CRED-  
25 ITS FOR PROJECTS FOR WHICH CERTIFICATES ARE ISSUED BEFORE  
26 JANUARY 1, 2002 EXCEEDS \$60,000,000.00, THE TOTAL OF ALL CREDITS  
27 FOR WHICH THE STATE TREASURER MAY ISSUE PREAPPROVAL LETTERS SHALL

1 BE EQUAL TO \$90,000,000.00 MINUS THE TOTAL OF ALL CREDITS FOR  
2 PROJECTS FOR WHICH CERTIFICATES ARE ISSUED BEFORE JANUARY 1,  
3 2002. THE STATE TREASURER SHALL USE THE CRITERIA IN  
4 SUBSECTION (5) WHEN APPROVING PROJECTS UNDER THIS SUBSECTION.  
5 THE TOTAL OF ALL CREDITS FOR AN APPROVED PROJECT OR A PROJECT FOR  
6 WHICH A CERTIFICATE IS ISSUED UNDER THIS SUBSECTION SHALL NOT  
7 EXCEED \$1,000,000.00. A TAXPAYER MAY APPLY UNDER THIS SUBSECTION  
8 INSTEAD OF SUBSECTION (3) FOR APPROVAL OF A PROJECT THAT WILL BE  
9 FOR MORE THAN \$10,000,000.00 BUT THE TOTAL OF ALL CREDITS FOR  
10 THAT PROJECT SHALL NOT EXCEED \$1,000,000.00. IF THE STATE TREA-  
11 SURER APPROVES A PROJECT UNDER THIS SUBSECTION AFTER DECEMBER 31,  
12 2001, THE STATE TREASURER SHALL ISSUE A PREAPPROVAL LETTER THAT  
13 STATES THAT THE TAXPAYER IS A QUALIFIED TAXPAYER; THE MAXIMUM  
14 TOTAL ELIGIBLE INVESTMENT FOR THE PROJECT ON WHICH CREDITS UNDER  
15 THIS SUBSECTION MAY BE CLAIMED AND THE MAXIMUM TOTAL OF ALL CRED-  
16 ITS FOR THE PROJECT WHEN THE PROJECT IS COMPLETED AND A CERTIFI-  
17 CATE OF COMPLETION IS ISSUED; AND THE PROJECT NUMBER ASSIGNED BY  
18 THE STATE TREASURER. IF A PROJECT IS DENIED UNDER THIS SUBSEC-  
19 TION, A TAXPAYER IS NOT PROHIBITED FROM SUBSEQUENTLY APPLYING  
20 UNDER THIS SUBSECTION OR SUBSECTION (3) FOR THE SAME PROJECT OR  
21 FOR ANOTHER PROJECT.

22 (3) IF THE COST OF A PROJECT WILL BE FOR MORE THAN  
23 \$10,000,000.00, A TAXPAYER SHALL APPLY TO THE MICHIGAN ECONOMIC  
24 GROWTH AUTHORITY FOR APPROVAL OF THE PROJECT UNDER THIS  
25 SUBSECTION. THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL APPROVE  
26 OR DENY THE PROJECT NOT MORE THAN 65 DAYS AFTER RECEIPT OF THE  
27 APPLICATION. A PROJECT UNDER THIS SUBSECTION SHALL NOT BE

1 APPROVED WITHOUT THE CONCURRENCE OF THE STATE TREASURER. IF THE  
2 MICHIGAN ECONOMIC GROWTH AUTHORITY DOES NOT APPROVE OR DENY THE  
3 APPLICATION WITHIN 65 DAYS AFTER IT RECEIVES THE APPLICATION, THE  
4 MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL SEND THE APPLICATION TO  
5 THE STATE TREASURER. THE STATE TREASURER SHALL APPROVE OR DENY  
6 THE APPLICATION WITHIN 5 DAYS AFTER RECEIPT OF THE APPLICATION.  
7 IF THE STATE TREASURER DOES NOT DENY THE APPLICATION WITHIN THE 5  
8 DAYS UNDER THIS SUBSECTION, THE APPLICATION IS CONSIDERED  
9 APPROVED. THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL APPROVE A  
10 LIMITED NUMBER OF PROJECTS UNDER THIS SUBSECTION DURING EACH CAL-  
11 ENDAR YEAR AS PROVIDED IN SUBSECTION (4). THE MICHIGAN ECONOMIC  
12 GROWTH AUTHORITY SHALL USE THE CRITERIA IN SUBSECTION (5) WHEN  
13 APPROVING PROJECTS UNDER THIS SUBSECTION, WHEN DETERMINING THE  
14 TOTAL AMOUNT OF ELIGIBLE INVESTMENT, AND WHEN DETERMINING THE  
15 PERCENTAGE OF ELIGIBLE INVESTMENT FOR THE PROJECT TO BE USED TO  
16 CALCULATE A CREDIT. THE TOTAL OF ALL CREDITS FOR AN APPROVED  
17 PROJECT UNDER THIS SUBSECTION SHALL NOT EXCEED THE AMOUNT DESIG-  
18 NATED IN THE PREAPPROVAL LETTER. IF THE MICHIGAN ECONOMIC GROWTH  
19 AUTHORITY APPROVES A PROJECT UNDER THIS SUBSECTION, THE MICHIGAN  
20 ECONOMIC GROWTH AUTHORITY SHALL ISSUE A PREAPPROVAL LETTER THAT  
21 STATES THAT THE TAXPAYER IS A QUALIFIED TAXPAYER; THE PERCENTAGE  
22 OF ELIGIBLE INVESTMENT FOR THE PROJECT DETERMINED BY THE MICHIGAN  
23 ECONOMIC GROWTH AUTHORITY UNDER SUBSECTION (1)(B); THE MAXIMUM  
24 TOTAL ELIGIBLE INVESTMENT FOR THE PROJECT ON WHICH CREDITS UNDER  
25 THIS SUBSECTION MAY BE CLAIMED AND THE MAXIMUM TOTAL OF ALL CRED-  
26 ITS FOR THE PROJECT WHEN THE PROJECT IS COMPLETED AND A  
27 CERTIFICATE OF COMPLETION IS ISSUED; AND THE PROJECT NUMBER

**SB269, As Passed House, April 27, 2000**

Sub. S.B. 269 (H-2)\* as amended April 27, 2000 6

1 ASSIGNED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY. THE MICHIGAN  
2 ECONOMIC GROWTH AUTHORITY SHALL SEND A COPY OF THE PREAPPROVAL  
3 LETTER TO THE DEPARTMENT. IF A PROJECT IS DENIED UNDER THIS SUB-  
4 SECTION, A TAXPAYER IS NOT PROHIBITED FROM SUBSEQUENTLY APPLYING  
5 UNDER THIS SUBSECTION OR SUBSECTION (2) FOR THE SAME PROJECT OR  
6 FOR ANOTHER PROJECT.

7 (4) THE MICHIGAN ECONOMIC GROWTH AUTHORITY MAY APPROVE NOT  
8 MORE THAN 15 PROJECTS EACH CALENDAR YEAR UNDER SUBSECTION (3),  
9 AND THE FOLLOWING LIMITATIONS APPLY:

10 (A) OF THE 15 PROJECTS ALLOWED UNDER THIS SUBSECTION, THE  
11 TOTAL OF ALL CREDITS FOR EACH PROJECT MAY BE MORE THAN  
12 \$10,000,000.00 BUT \$30,000,000.00 OR LESS FOR UP TO 3 PROJECTS.

13 (B) OF THE 15 PROJECTS ALLOWED UNDER THIS SUBSECTION, UP TO  
14 3 PROJECTS MAY BE APPROVED FOR PROJECTS THAT ARE NOT IN A QUALI-  
15 FIED LOCAL GOVERNMENTAL UNIT IF THE PROPERTY IS A FACILITY FOR  
16 WHICH ELIGIBLE ACTIVITIES ARE IDENTIFIED IN A BROWNFIELD PLAN. [FOR  
PURPOSES OF THIS SUBDIVISION, A FACILITY INCLUDES A BUILDING OR  
COMPLEX OF BUILDINGS THAT WAS USED BY A STATE OR FEDERAL AGENCY AND  
THAT IS NO LONGER BEING USED FOR THE PURPOSE FOR WHICH IT WAS USED  
BY THE STATE OR FEDERAL AGENCY.]

17 (C) OF THE 3 PROJECTS ALLOWED UNDER SUBDIVISION (A), 1 MAY  
18 BE A PROJECT THAT ALSO QUALIFIES UNDER SUBDIVISION (B).

19 (5) THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL REVIEW ALL  
20 APPLICATIONS FOR PROJECTS UNDER SUBSECTION (3) AND, IF AN APPLI-  
21 CATION IS APPROVED, SHALL DETERMINE THE MAXIMUM TOTAL OF ALL  
22 CREDITS FOR THAT PROJECT PURSUANT TO SUBSECTION (1)(B). BEFORE  
23 APPROVING A PROJECT FOR WHICH THE TOTAL OF ALL CREDITS WILL BE  
24 MORE THAN \$10,000,000.00 BUT \$30,000,000.00 OR LESS ONLY, THE  
25 MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL DETERMINE THAT THE  
26 PROJECT WOULD NOT OCCUR IN THIS STATE WITHOUT THE TAX CREDIT  
27 OFFERED UNDER SUBSECTION (3), EXCEPT THAT THE MICHIGAN ECONOMIC

**SB269, As Passed House, April 27, 2000**

Sub. S.B. 269 (H-2)\* as amended April 27, 2000 7

1 GROWTH AUTHORITY MAY APPROVE 1 PROJECT THE CONSTRUCTION OF WHICH  
2 BEGAN AFTER JANUARY 1, 2000 AND BEFORE JANUARY 1, 2001 WITHOUT  
3 DETERMINING THAT THE ELIGIBLE INVESTMENT WOULD NOT OCCUR IN THIS  
4 STATE WITHOUT THE TAX CREDIT OFFERED UNDER THIS SECTION. THE  
5 MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL CONSIDER THE FOLLOWING  
6 CRITERIA TO THE EXTENT REASONABLY APPLICABLE TO THE TYPE OF  
7 PROJECT PROPOSED WHEN APPROVING A PROJECT UNDER SUBSECTION (3)  
8 AND THE STATE TREASURER SHALL CONSIDER THE FOLLOWING CRITERIA AS  
9 REASONABLY APPLICABLE TO THE TYPE OF PROJECT PROPOSED WHEN CERTI-  
10 FYING OR APPROVING A PROJECT UNDER SUBSECTION (2):

11 (A) THE OVERALL BENEFIT TO THE PUBLIC.

12 (B) THE EXTENT OF REUSE OF VACANT BUILDINGS AND REDEVELOP-  
13 MENT OF BLIGHTED PROPERTY.

[(C) WHETHER THE PROJECT WILL SIGNIFICANTLY IMPROVE  
REDEVELOPMENT OF RESIDENTIAL OR HOUSING AREAS.]

14 [(D)] WHETHER THE ELIGIBLE PROPERTY IS IN AN AREA OF HIGH  
15 UNEMPLOYMENT.

16 [(E)] THE LEVEL AND EXTENT OF CONTAMINATION ALLEVIATED BY THE  
17 QUALIFIED TAXPAYER'S ELIGIBLE INVESTMENT TO THE EXTENT KNOWN TO  
18 THE QUALIFIED TAXPAYER.

19 [(F)] THE LEVEL OF PRIVATE SECTOR CONTRIBUTION.

20 [(G)] THE COST GAP THAT EXISTS BETWEEN THE SITE AND A SIMILAR  
21 GREENFIELD SITE AS DETERMINED BY THE MICHIGAN ECONOMIC GROWTH  
22 AUTHORITY.

23 [(H)] IF THE QUALIFIED TAXPAYER IS MOVING FROM ANOTHER LOCA-  
24 TION IN THIS STATE, WHETHER THE MOVE WILL CREATE A BROWNFIELD.

25 [(I)] THE FINANCIAL STATEMENTS OF THE QUALIFIED TAXPAYER INDI-  
26 CATE THAT IT IS FINANCIALLY SOUND AND THAT THE PROJECT IS  
27 ECONOMICALLY SOUND.

1       (6) A QUALIFIED TAXPAYER MAY APPLY FOR PROJECTS UNDER  
2 SUBSECTION (2) OR (3) FOR ELIGIBLE INVESTMENT ON MORE THAN 1 ELI-  
3 GIBLE PROPERTY IN A TAX YEAR. EACH PROJECT CERTIFIED OR APPROVED  
4 AND FOR WHICH A CERTIFICATE OR CERTIFICATE OF COMPLETION IS  
5 ISSUED UNDER THIS SECTION SHALL BE FOR ELIGIBLE INVESTMENT ON 1  
6 ELIGIBLE PROPERTY.

7       (7) WHEN A PROJECT UNDER SUBSECTION (2), FOR PROJECTS FOR  
8 WHICH APPLICATIONS ARE FILED AFTER DECEMBER 31, 2001 AND BEFORE  
9 JANUARY 1, 2003, OR (3) IS COMPLETED, THE TAXPAYER SHALL SUBMIT  
10 DOCUMENTATION THAT THE PROJECT IS COMPLETED, AN ACCOUNTING OF THE  
11 COST OF THE PROJECT, AND THE ELIGIBLE INVESTMENT OF EACH TAXPAYER  
12 IF THERE IS MORE THAN 1 TAXPAYER ELIGIBLE FOR A CREDIT FOR THE  
13 PROJECT. THE STATE TREASURER, FOR PROJECTS APPROVED UNDER SUB-  
14 SECTION (2), OR THE MICHIGAN ECONOMIC GROWTH AUTHORITY, FOR  
15 PROJECTS APPROVED UNDER SUBSECTION (3), SHALL VERIFY THAT THE  
16 PROJECT IS COMPLETED. FOR PROJECTS APPROVED UNDER SUBSECTION  
17 (3), THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL CONDUCT AN  
18 ON-SITE INSPECTION AS PART OF THE VERIFICATION PROCESS. WHEN THE  
19 COMPLETION OF THE PROJECT IS VERIFIED, A CERTIFICATE OF COMPLE-  
20 TION SHALL BE ISSUED TO EACH QUALIFIED TAXPAYER THAT HAS MADE  
21 ELIGIBLE INVESTMENT ON THAT ELIGIBLE PROPERTY. THE CERTIFICATE  
22 OF COMPLETION SHALL STATE THE TOTAL AMOUNT OF ALL CREDITS FOR THE  
23 PROJECT AND THAT TOTAL SHALL NOT EXCEED THE MAXIMUM TOTAL OF ALL  
24 CREDITS LISTED IN THE PREAPPROVAL LETTER FOR THE PROJECT UNDER  
25 SUBSECTION (2) OR (3) AS APPLICABLE AND SHALL STATE ALL OF THE  
26 FOLLOWING:



1 (A) THAT THE TAXPAYER IS A QUALIFIED TAXPAYER.

2 (B) THE TOTAL COST OF THE PROJECT AND THE ELIGIBLE  
3 INVESTMENT OF EACH QUALIFIED TAXPAYER.

4 (C) EACH QUALIFIED TAXPAYER'S CREDIT AMOUNT.

5 (D) THE QUALIFIED TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION  
6 NUMBER OR THE MICHIGAN TREASURY NUMBER ASSIGNED TO THE TAXPAYER.

7 (E) THE PROJECT NUMBER.

8 (F) FOR A PROJECT APPROVED UNDER SUBSECTION (3) FOR WHICH  
9 THE TOTAL OF ALL CREDITS IS MORE THAN \$10,000,000.00 BUT  
10 \$30,000,000.00 OR LESS, THE TOTAL OF ALL CREDITS AND THE SCHEDULE  
11 ON WHICH THE ANNUAL CREDIT AMOUNT SHALL BE CLAIMED BY THE QUALI-  
12 FIED TAXPAYER.

13 (8) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, QUALIFIED  
14 TAXPAYERS SHALL CLAIM CREDITS UNDER SUBSECTIONS (2) AND (3) IN  
15 THE TAX YEAR IN WHICH THE CERTIFICATE OR CERTIFICATE OF COMPLE-  
16 TION IS ISSUED. FOR A PROJECT APPROVED UNDER SUBSECTION (3) FOR  
17 WHICH THE TOTAL OF ALL CREDITS IS MORE THAN \$10,000,000.00 BUT  
18 \$30,000,000.00 OR LESS, THE QUALIFIED TAXPAYER SHALL CLAIM 10% OF  
19 ITS APPROVED CREDIT EACH YEAR FOR 10 YEARS.

20 (9) THE COST OF ELIGIBLE INVESTMENT FOR LEASED MACHINERY,  
21 EQUIPMENT, OR FIXTURES IS THE TOTAL OF THE LEASE PAYMENTS BUT  
22 DOES NOT INCLUDE INTEREST, FINANCE CHARGES, SERVICE CHARGES, HAN-  
23 DLING CHARGES, OR SIMILAR CHARGES. THE COST OF ELIGIBLE INVEST-  
24 MENT UNDER THIS SUBSECTION SHALL NOT EXCEED THE COST OF THE PROP-  
25 ERTY HAD IT BEEN PURCHASED.

1       (10) FOR CREDITS UNDER SUBSECTIONS (2) AND (3), CREDITS  
2 CLAIMED BY A LESSEE OF ELIGIBLE PROPERTY ARE SUBJECT TO THE TOTAL  
3 OF ALL CREDITS LIMITATION UNDER THIS SECTION.

4       (11) EACH QUALIFIED TAXPAYER AND ASSIGNEE UNDER SUBSECTION  
5 (16) THAT CLAIMS A CREDIT UNDER SUBSECTION (1)(A) OR (B) SHALL  
6 ATTACH A COPY OF THE CERTIFICATE OR CERTIFICATE OF COMPLETION  
7 AND, IF THE CREDIT WAS ASSIGNED, A COPY OF THE ASSIGNMENT FORM  
8 PROVIDED FOR UNDER THIS SECTION TO THE ANNUAL RETURN FILED UNDER  
9 THIS ACT ON WHICH THE CREDIT UNDER SUBSECTION (2) OR (3) IS  
10 CLAIMED.

11       (12) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION OR SUB-  
12 SECTION (14), (16), OR (17), A CREDIT UNDER SUBSECTION (2) OR (3)  
13 SHALL BE CLAIMED IN THE TAX YEAR IN WHICH THE CERTIFICATE OR CER-  
14 TIFICATE OF COMPLETION IS ISSUED TO THE QUALIFIED TAXPAYER. FOR  
15 A PROJECT DESCRIBED IN SUBSECTION (7)(F) FOR WHICH A SCHEDULE FOR  
16 CLAIMING ANNUAL CREDIT AMOUNTS IS DESIGNATED ON THE CERTIFICATE  
17 OF COMPLETION BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY, THE  
18 ANNUAL CREDIT AMOUNT SHALL BE CLAIMED IN THE TAX YEAR SPECIFIED  
19 ON THE CERTIFICATE OF COMPLETION.

20       (13) THE CREDITS APPROVED UNDER THIS SECTION SHALL BE CALCU-  
21 LATED AFTER APPLICATION OF ALL OTHER CREDITS ALLOWED UNDER THIS  
22 ACT. THE CREDITS UNDER SUBSECTIONS (2) AND (3) SHALL BE CALCU-  
23 LATED BEFORE THE CALCULATION OF CREDITS UNDER SUBSECTIONS (19) TO  
24 (24) AND BEFORE THE CREDITS UNDER SECTIONS 37C AND 37D.

25       (14) IF THE CREDIT ALLOWED UNDER SUBSECTION (2) OR (3) FOR  
26 THE TAX YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED  
27 UNDER SUBSECTION (2) OR (3) EXCEED THE QUALIFIED TAXPAYER'S OR

1 ASSIGNEE'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION THAT  
2 EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED  
3 BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT  
4 TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER OCCURS FIRST.  
5 EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE MAXIMUM TIME  
6 ALLOWED UNDER THE CARRYFORWARD PROVISIONS UNDER THIS SUBSECTION  
7 BEGINS WITH THE TAX YEAR IN WHICH THE CERTIFICATE OR CERTIFICATE  
8 OF COMPLETION IS ISSUED TO THE QUALIFIED TAXPAYER. IF THE QUALI-  
9 FIED TAXPAYER ASSIGNS ALL OR ANY PORTION OF ITS CREDIT APPROVED  
10 UNDER SUBSECTION (2) OR (3), THE MAXIMUM TIME ALLOWED UNDER THE  
11 CARRYFORWARD PROVISIONS FOR AN ASSIGNEE BEGINS TO RUN WITH THE  
12 TAX YEAR IN WHICH THE ASSIGNMENT IS MADE AND THE ASSIGNEE FIRST  
13 CLAIMS A CREDIT, WHICH SHALL BE THE SAME TAX YEAR. THE MAXIMUM  
14 TIME ALLOWED UNDER THE CARRYFORWARD PROVISIONS FOR AN ANNUAL  
15 CREDIT AMOUNT FOR A CREDIT ALLOWED UNDER SUBSECTION (3) BEGINS TO  
16 RUN IN THE TAX YEAR FOR WHICH THE ANNUAL CREDIT AMOUNT IS DESIG-  
17 NATED ON THE CERTIFICATE OF COMPLETION ISSUED UNDER THIS  
18 SECTION.

19 (15) IF A PROJECT OR CREDIT UNDER SUBSECTION (2) OR (3) IS  
20 FOR THE ADDITION OF PERSONAL PROPERTY, IF THE COST OF THAT PER-  
21 SONAL PROPERTY IS USED TO CALCULATE A CREDIT UNDER SUBSECTION (2)  
22 OR (3), AND IF THE PERSONAL PROPERTY IS SOLD OR DISPOSED OF OR  
23 TRANSFERRED FROM ELIGIBLE PROPERTY TO ANY OTHER LOCATION, THE  
24 QUALIFIED TAXPAYER THAT SOLD, DISPOSED OF, OR TRANSFERRED THE  
25 PERSONAL PROPERTY SHALL ADD THE SAME PERCENTAGE AS DETERMINED  
26 PURSUANT TO SUBSECTION (1) OF THE FEDERAL BASIS OF THE PERSONAL  
27 PROPERTY USED FOR DETERMINING GAIN OR LOSS AS OF THE DATE OF THE

1 SALE, DISPOSITION, OR TRANSFER TO THE QUALIFIED TAXPAYER'S TAX  
2 LIABILITY AFTER APPLICATION OF ALL CREDITS UNDER THIS ACT FOR THE  
3 TAX YEAR IN WHICH THE SALE, DISPOSITION, OR TRANSFER OCCURS. IF  
4 A QUALIFIED TAXPAYER HAS AN UNUSED CARRYFORWARD OF A CREDIT UNDER  
5 SUBSECTION (2) OR (3), THE AMOUNT OTHERWISE ADDED UNDER THIS SUB-  
6 SECTION TO THE QUALIFIED TAXPAYER'S TAX LIABILITY MAY INSTEAD BE  
7 USED TO REDUCE THE QUALIFIED TAXPAYER'S CARRYFORWARD UNDER THIS  
8 SECTION.

9 (16) FOR CREDITS UNDER SUBSECTIONS (2) AND (3) AND EXCEPT AS  
10 OTHERWISE PROVIDED IN THIS SUBSECTION, IF A QUALIFIED TAXPAYER  
11 PAYS OR ACCRUES ELIGIBLE INVESTMENT ON OR TO AN ELIGIBLE PROPERTY  
12 THAT IS LEASED FOR A MINIMUM TERM OF 10 YEARS TO ANOTHER TAXPAYER  
13 FOR USE IN A BUSINESS ACTIVITY, THE QUALIFIED TAXPAYER MAY ASSIGN  
14 ALL OR A PORTION OF THE CREDIT BASED ON THAT ELIGIBLE INVESTMENT  
15 TO THE LESSEE. A CREDIT ASSIGNMENT UNDER THIS SUBSECTION IS  
16 IRREVOCABLE AND SHALL BE MADE IN THE TAX YEAR IN WHICH THE CER-  
17 TIFICATE OR CERTIFICATE OF COMPLETION IS ISSUED, UNLESS THE  
18 ASSIGNEE IS UNKNOWN. IF A QUALIFIED TAXPAYER WISHES TO ASSIGN  
19 ALL OR A PORTION OF ITS CREDIT TO A LESSEE BUT THE LESSEE IS  
20 UNKNOWN IN THE TAX YEAR IN WHICH THE CERTIFICATE OR CERTIFICATE  
21 OF COMPLETION IS ISSUED, THE QUALIFIED TAXPAYER MAY DELAY CLAIM-  
22 ING AND ASSIGNING THE CREDIT UNTIL THE FIRST TAX YEAR IN WHICH  
23 LESSEE IS KNOWN. A QUALIFIED TAXPAYER MAY CLAIM A PORTION OF A  
24 CREDIT AND ASSIGN THE REMAINING CREDIT AMOUNT. EXCEPT AS OTHER-  
25 WISE PROVIDED IN THIS SUBSECTION, IF THE QUALIFIED TAXPAYER BOTH  
26 CLAIMS AND ASSIGNS PORTIONS OF THE CREDIT, THE QUALIFIED TAXPAYER  
27 SHALL CLAIM THE PORTION IT CLAIMS IN THE TAX YEAR IN WHICH THE

1 CERTIFICATE OR CERTIFICATE OF COMPLETION IS ISSUED. IF A  
2 QUALIFIED TAXPAYER ASSIGNS ALL OR A PORTION OF THE CREDIT AND THE  
3 ELIGIBLE PROPERTY IS LEASED TO MORE THAN 1 TAXPAYER, THE QUALI-  
4 FIED TAXPAYER SHALL PRORATE THE CREDIT TO EACH LESSEE. A LESSEE  
5 SHALL NOT SUBSEQUENTLY ASSIGN A CREDIT OR ANY PORTION OF A CREDIT  
6 ASSIGNED UNDER THIS SUBSECTION. THE CREDIT ASSIGNMENT UNDER THIS  
7 SUBSECTION SHALL BE MADE ON A FORM PRESCRIBED BY THE DEPARTMENT.  
8 THE QUALIFIED TAXPAYER SHALL SEND A COPY OF THE COMPLETED ASSIGN-  
9 MENT FORM TO THE DEPARTMENT IN THE TAX YEAR IN WHICH THE ASSIGN-  
10 MENT IS MADE. THE ASSIGNEE SHALL ATTACH A COPY OF THE COMPLETED  
11 ASSIGNMENT FORM TO ITS ANNUAL RETURN REQUIRED TO BE FILED UNDER  
12 THIS ACT, FOR THE TAX YEAR IN WHICH THE ASSIGNMENT IS MADE AND  
13 THE ASSIGNEE FIRST CLAIMS A CREDIT, WHICH SHALL BE THE SAME TAX  
14 YEAR. IN ADDITION TO ALL OTHER PROCEDURES UNDER THIS SUBSECTION,  
15 THE FOLLOWING APPLY IF THE TOTAL OF ALL CREDITS FOR A PROJECT IS  
16 MORE THAN \$10,000,000.00 BUT \$30,000,000.00 OR LESS:

17 (A) THE CREDIT SHALL BE ASSIGNED BASED ON THE SCHEDULE CON-  
18 TAINED IN THE CERTIFICATE OF COMPLETION.

19 (B) IF THE QUALIFIED TAXPAYER ASSIGNS ALL OR A PORTION OF  
20 THE CREDIT AMOUNT, THE QUALIFIED TAXPAYER SHALL ASSIGN THE ANNUAL  
21 CREDIT AMOUNT FOR EACH TAX YEAR SEPARATELY.

22 (C) MORE THAN 1 ANNUAL CREDIT AMOUNT MAY BE ASSIGNED TO ANY  
23 1 ASSIGNEE AND THE QUALIFIED TAXPAYER MAY ASSIGN ALL OR A PORTION  
24 OF EACH ANNUAL CREDIT AMOUNT.

25 (D) THE QUALIFIED TAXPAYER SHALL NOT ASSIGN MORE THAN THE  
26 ANNUAL CREDIT AMOUNT FOR EACH TAX YEAR.

1       (17) IF A QUALIFIED TAXPAYER IS A PARTNERSHIP, LIMITED  
2 LIABILITY COMPANY, OR SUBCHAPTER S CORPORATION, THE QUALIFIED  
3 TAXPAYER MAY ASSIGN ALL OR A PORTION OF A CREDIT ALLOWED UNDER  
4 SUBSECTION (2) OR (3) TO ITS PARTNERS, MEMBERS, OR SHAREHOLDERS,  
5 BASED ON THEIR PROPORTIONATE SHARE OF OWNERSHIP. A CREDIT  
6 ASSIGNMENT UNDER THIS SUBSECTION IS IRREVOCABLE AND SHALL BE MADE  
7 IN THE TAX YEAR IN WHICH A CERTIFICATE OR CERTIFICATE OF COMPLE-  
8 TION IS ISSUED. A QUALIFIED TAXPAYER MAY CLAIM A PORTION OF A  
9 CREDIT AND ASSIGN THE REMAINING CREDIT AMOUNT. IF THE QUALIFIED  
10 TAXPAYER BOTH CLAIMS AND ASSIGNS PORTIONS OF THE CREDIT, THE  
11 QUALIFIED TAXPAYER SHALL CLAIM THE PORTION IT CLAIMS IN THE TAX  
12 YEAR IN WHICH A CERTIFICATE OR CERTIFICATE OF COMPLETION IS  
13 ISSUED. A PARTNER, MEMBER, OR SHAREHOLDER THAT IS AN ASSIGNEE  
14 SHALL NOT SUBSEQUENTLY ASSIGN A CREDIT OR ANY PORTION OF A CREDIT  
15 ASSIGNED UNDER THIS SUBSECTION. THE CREDIT ASSIGNMENT UNDER THIS  
16 SUBSECTION SHALL BE MADE ON A FORM PRESCRIBED BY THE DEPARTMENT.  
17 THE QUALIFIED TAXPAYER SHALL SEND A COPY OF THE COMPLETED ASSIGN-  
18 MENT FORM TO THE DEPARTMENT IN THE TAX YEAR IN WHICH THE ASSIGN-  
19 MENT IS MADE. A PARTNER, MEMBER, OR SHAREHOLDER WHO IS AN  
20 ASSIGNEE SHALL ATTACH A COPY OF THE COMPLETED ASSIGNMENT FORM TO  
21 ITS ANNUAL RETURN REQUIRED UNDER THIS ACT, FOR THE TAX YEAR IN  
22 WHICH THE ASSIGNMENT IS MADE AND THE ASSIGNEE FIRST CLAIMS A  
23 CREDIT, WHICH SHALL BE THE SAME TAX YEAR.

24       (18) A QUALIFIED TAXPAYER OR ASSIGNEE UNDER SUBSECTION (16)  
25 OR (17) SHALL NOT CLAIM A CREDIT UNDER SUBSECTION (1)(A) OR (B)  
26 BASED ON ELIGIBLE INVESTMENT ON WHICH A CREDIT CLAIMED UNDER  
27 SECTION 38D WAS BASED.

1       (19) IN ADDITION TO THE OTHER CREDITS ALLOWED UNDER THIS  
2 SECTION AND SECTIONS 37C AND 37D, FOR TAX YEARS THAT BEGIN AFTER  
3 DECEMBER 31, 1999 AND FOR A PERIOD OF TIME NOT TO EXCEED 20 YEARS  
4 AS DETERMINED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY, AN ELI-  
5 GIBLE TAXPAYER MAY CREDIT AGAINST THE TAX IMPOSED BY SECTION 31  
6 THE AMOUNT CERTIFIED EACH YEAR BY THE MICHIGAN ECONOMIC GROWTH  
7 AUTHORITY THAT IS 1 OF THE FOLLOWING:

8       (A) FOR AN ELIGIBLE BUSINESS UNDER SECTION 8(5)(A) OF THE  
9 MICHIGAN ECONOMIC GROWTH AUTHORITY ACT, 1995 PA 24, MCL 207.808,  
10 AN AMOUNT THAT IS NOT MORE THAN 50% OF 1 OR BOTH OF THE FOLLOWING  
11 AS DETERMINED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY:

12       (i) AN AMOUNT DETERMINED UNDER THE MICHIGAN ECONOMIC GROWTH  
13 AUTHORITY ACT, 1995 PA 24, MCL 207.801 TO 207.810, THAT DOES NOT  
14 EXCEED THE PAYROLL OF THE ELIGIBLE TAXPAYER ATTRIBUTABLE TO  
15 EMPLOYEES WHO PERFORM RETAINED JOBS MULTIPLIED BY THE TAX RATE  
16 FOR THE TAX YEAR.

17       (ii) THE TAX LIABILITY ATTRIBUTABLE TO THE ELIGIBLE  
18 TAXPAYER'S BUSINESS ACTIVITY MULTIPLIED BY A FRACTION THE NUMERA-  
19 TOR OF WHICH IS THE RATIO OF THE VALUE OF NEW CAPITAL INVESTMENT  
20 TO ALL OF THE TAXPAYER'S PROPERTY LOCATED IN THIS STATE PLUS THE  
21 RATIO OF THE TAXPAYER'S PAYROLL ATTRIBUTABLE TO RETAINED JOBS TO  
22 ALL OF THE TAXPAYER'S PAYROLL IN THIS STATE AND THE DENOMINATOR  
23 OF WHICH IS 2.

24       (B) FOR AN ELIGIBLE BUSINESS UNDER SECTION 8(5)(B) OF THE  
25 MICHIGAN ECONOMIC GROWTH AUTHORITY ACT, 1995 PA 24, MCL 207.808,  
26 AN AMOUNT THAT IS NOT MORE THAN 1 OR BOTH OF THE FOLLOWING AS  
27 DETERMINED BY THE MICHIGAN ECONOMIC GROWTH AUTHORITY:

1       (i) AN AMOUNT DETERMINED UNDER THE MICHIGAN ECONOMIC GROWTH  
2 AUTHORITY ACT, 1995 PA 24, MCL 207.801 TO 207.810, THAT DOES NOT  
3 EXCEED THE PAYROLL OF THE ELIGIBLE TAXPAYER ATTRIBUTABLE TO  
4 EMPLOYEES WHO PERFORM RETAINED JOBS MULTIPLIED BY THE TAX RATE  
5 FOR THE TAX YEAR.

6       (ii) THE TAX LIABILITY ATTRIBUTABLE TO ELIGIBLE TAXPAYER'S  
7 BUSINESS MULTIPLIED BY A FRACTION THE NUMERATOR OF WHICH IS THE  
8 RATIO OF THE VALUE OF CAPITAL INVESTMENT TO ALL OF THE TAXPAYER'S  
9 PROPERTY LOCATED IN THIS STATE PLUS THE RATIO OF THE TAXPAYER'S  
10 PAYROLL ATTRIBUTABLE TO RETAINED JOBS TO ALL OF THE TAXPAYER'S  
11 PAYROLL IN THIS STATE AND THE DENOMINATOR OF WHICH IS 2.

12       (20) AN ELIGIBLE TAXPAYER SHALL NOT CLAIM A CREDIT UNDER  
13 SUBSECTION (19) UNLESS THE MICHIGAN ECONOMIC GROWTH AUTHORITY HAS  
14 ISSUED A CERTIFICATE UNDER SECTION 9 OF THE MICHIGAN ECONOMIC  
15 GROWTH AUTHORITY ACT, 1995 PA 24, MCL 207.809, TO THE TAXPAYER.  
16 THE ELIGIBLE TAXPAYER SHALL ATTACH THE CERTIFICATE TO THE RETURN  
17 FILED UNDER THIS ACT ON WHICH A CREDIT UNDER SUBSECTION (19) IS  
18 CLAIMED.

19       (21) AN AFFILIATED GROUP AS DEFINED IN THIS ACT, A CON-  
20 TROLLED GROUP OF CORPORATIONS AS DEFINED IN SECTION 1563 OF THE  
21 INTERNAL REVENUE CODE AND FURTHER DESCRIBED IN 26 C.F.R. 1.414  
22 (b)-1 AND 1.414(c)-1 TO 1.414(c)-5, OR AN ENTITY UNDER COMMON  
23 CONTROL AS DEFINED BY THE INTERNAL REVENUE CODE SHALL CLAIM ONLY  
24 1 CREDIT UNDER SUBSECTION (19) FOR EACH TAX YEAR BASED ON EACH  
25 WRITTEN AGREEMENT WHETHER OR NOT A COMBINED OR CONSOLIDATED  
26 RETURN IS FILED.



1       (22) A CREDIT SHALL NOT BE CLAIMED BY A TAXPAYER UNDER  
2 SUBSECTION (19) IF THE ELIGIBLE TAXPAYER'S INITIAL CERTIFICATION  
3 UNDER SECTION 9 OF THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT,  
4 1995 PA 24, MCL 207.809, IS ISSUED AFTER DECEMBER 31, 2003.

5       (23) IF THE CREDIT ALLOWED UNDER SUBSECTION (19)(A)(ii) OR  
6 (19)(B)(ii) FOR THE TAX YEAR AND ANY UNUSED CARRYFORWARD OF THE  
7 CREDIT ALLOWED BY SUBSECTION (19) EXCEED THE TAXPAYER'S TAX  
8 LIABILITY FOR THE TAX YEAR, THAT PORTION THAT EXCEEDS THE TAX  
9 LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED BUT MAY BE CAR-  
10 RIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT TAX YEARS FOR  
11 10 YEARS OR UNTIL USED UP, WHICHEVER OCCURS FIRST.

12       (24) IF THE CREDIT ALLOWED UNDER SUBSECTION (19)(A)(i) OR  
13 (19)(B)(i) EXCEEDS THE TAX LIABILITY OF THE ELIGIBLE TAXPAYER FOR  
14 THE TAX YEAR, THE EXCESS SHALL BE REFUNDED TO THE ELIGIBLE  
15 TAXPAYER.

16       (25) AN ELIGIBLE TAXPAYER THAT CLAIMS A CREDIT UNDER SUBSEC-  
17 TION (1) IS NOT PROHIBITED FROM CLAIMING A CREDIT UNDER SUBSEC-  
18 TION (19). HOWEVER, THE ELIGIBLE TAXPAYER SHALL NOT CLAIM A  
19 CREDIT UNDER BOTH SUBSECTIONS (1) AND (19) BASED ON THE SAME  
20 COSTS.

21       (26) ELIGIBLE INVESTMENT ATTRIBUTABLE OR RELATED TO THE  
22 OPERATION OF A PROFESSIONAL SPORTS STADIUM, AND ELIGIBLE INVEST-  
23 MENT THAT IS ASSOCIATED OR AFFILIATED WITH THE OPERATION OF A  
24 PROFESSIONAL SPORTS STADIUM, INCLUDING, BUT NOT LIMITED TO, THE  
25 OPERATION OF A PARKING LOT OR RETAIL STORE, SHALL NOT BE USED AS  
26 A BASIS FOR A CREDIT UNDER SUBSECTION (2) OR (3). PROFESSIONAL  
27 SPORTS STADIUM DOES NOT INCLUDE A PROFESSIONAL SPORTS STADIUM

**SB269, As Passed House, April 27, 2000**

Sub. S.B. 269 (H-2)\* as amended April 27, 2000 18

1 THAT IS NOT USED BY A PROFESSIONAL SPORTS TEAM ON THE DATE THAT  
2 AN APPLICATION RELATED TO THAT PROFESSIONAL SPORTS STADIUM IS  
3 FILED UNDER SUBSECTION (2) OR (3).

4 (27) ELIGIBLE INVESTMENT ATTRIBUTABLE OR RELATED TO THE  
5 OPERATION OF A CASINO, AND ELIGIBLE INVESTMENT THAT IS ASSOCIATED  
6 OR AFFILIATED WITH THE OPERATION OF A CASINO, INCLUDING, BUT NOT  
7 LIMITED TO, THE OPERATION OF A PARKING LOT, HOTEL, MOTEL, OR  
8 RETAIL STORE, SHALL NOT BE USED AS A BASIS FOR A CREDIT UNDER  
9 SUBSECTION (2) OR (3). AS USED IN THIS SUBSECTION, "CASINO"  
10 MEANS A CASINO REGULATED BY THIS STATE PURSUANT TO THE MICHIGAN  
11 GAMING CONTROL AND REVENUE ACT, THE INITIATED LAW OF 1996,  
12 MCL 432.201 TO 432.226.

[(28) ELIGIBLE INVESTMENT ATTRIBUTABLE OR RELATED TO A  
MULTISOURCE COMMERCIAL HAZARDOUS WASTE DISPOSAL WELL SHALL NOT BE  
USED AS A BASIS FOR A CREDIT UNDER SUBSECTION (2) OR (3). AS USED  
IN THIS SUBSECTION, "MULTISOURCE COMMERCIAL HAZARDOUS WASTE DISPOSAL  
WELL" MEANS THAT TERM AS DEFINED IN SECTION 62506A OF THE NATURAL  
RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL  
324.62506A.]

(29) ELIGIBLE INVESTMENT ATTRIBUTABLE OR RELATED TO THE  
CONSTRUCTION OF A NEW LANDFILL OR EXPANSION OF AN EXISTING LANDFILL  
REGULATED UNDER PART 115 OF THE NATURAL RESOURCES AND ENVIRONMENTAL  
PROTECTION ACT, 1994 PA 451, MCL 324.11501 TO 324.11550, SHALL NOT  
BE USED AS A BASIS FOR A CREDIT UNDER SUBSECTION (2) OR (3).]

13 [(30)] THE DEPARTMENT ANNUALLY SHALL PREPARE AND SUBMIT TO THE  
14 HOUSE OF REPRESENTATIVES AND SENATE COMMITTEES RESPONSIBLE FOR  
15 TAX POLICY AND ECONOMIC DEVELOPMENT ISSUES A REPORT ON THE CRED-  
16 ITS UNDER SUBSECTION (2). THE REPORT SHALL INCLUDE, BUT IS NOT  
17 LIMITED TO, ALL OF THE FOLLOWING:

18 (A) A LISTING OF THE PROJECTS UNDER SUBSECTION (2) THAT WERE  
19 APPROVED IN THE CALENDAR YEAR.

20 (B) THE TOTAL AMOUNT OF ELIGIBLE INVESTMENT FOR PROJECTS  
21 APPROVED UNDER SUBSECTION (2) IN THE CALENDAR YEAR.

22 [(31)] AS USED IN THIS SECTION:

23 (A) "ANNUAL CREDIT AMOUNT" MEANS THE MAXIMUM AMOUNT THAT A  
24 QUALIFIED TAXPAYER IS ELIGIBLE TO CLAIM EACH TAX YEAR FOR A  
25 PROJECT FOR WHICH THE TOTAL OF ALL CREDITS IS MORE THAN

26 \$10,000,000.00 BUT \$30,000,000.00 OR LESS FOR ELIGIBLE INVESTMENT  
S01258'99 (H-2) \*

**SB269, As Passed House, April 27, 2000**

Sub. S.B. 269 (H-2)\* as amended April 27, 2000 19

1 ON AN ELIGIBLE PROPERTY, WHICH SHALL BE 10% OF THE QUALIFIED  
2 TAXPAYER'S CREDIT AMOUNT APPROVED UNDER SUBSECTION (3).

3 (B) "AUTHORITY" MEANS A BROWNFIELD REDEVELOPMENT AUTHORITY  
4 CREATED UNDER THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA  
5 381, MCL 125.2651 TO 125.2672.

6 (C) "AUTHORIZED BUSINESS", "FULL-TIME JOB", "NEW CAPITAL  
7 INVESTMENT", "RETAINED JOBS", AND "WRITTEN AGREEMENT" MEAN THOSE  
8 TERMS AS DEFINED IN THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT,  
9 1995 PA 24, MCL 207.801 TO 207.810.

10 (D) "BLIGHTED", "FACILITY", AND "FUNCTIONALLY OBSOLETE" MEAN  
11 THOSE TERMS AS DEFINED IN THE BROWNFIELD REDEVELOPMENT FINANCING  
12 ACT, 1996 PA 381, MCL 125.2651 TO 125.2672.

13 (E) "BROWNFIELD PLAN" MEANS A BROWNFIELD PLAN UNDER THE  
14 BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2651  
15 TO 125.2672.

16 (F) "ELIGIBLE ACTIVITIES" MEANS THAT TERM AS DEFINED IN THE  
17 BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2651  
18 TO 125.2672.

19 (G) "ELIGIBLE INVESTMENT" MEANS DEMOLITION, CONSTRUCTION,  
20 RESTORATION, ALTERATION, RENOVATION, OR IMPROVEMENT OF BUILDINGS  
21 OR SITE IMPROVEMENTS ON ELIGIBLE PROPERTY AND THE ADDITION OF  
22 MACHINERY, EQUIPMENT, AND FIXTURES TO ELIGIBLE PROPERTY AFTER THE  
23 DATE THAT ELIGIBLE ACTIVITIES ON THAT ELIGIBLE PROPERTY HAVE  
24 STARTED PURSUANT TO A BROWNFIELD PLAN UNDER THE BROWNFIELD REDE-  
25 VELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2651 TO 125.2672,  
26 AND AFTER THE DATE THAT THE PREAPPROVAL LETTER IS ISSUED EXCEPT  
27 THAT THE DATE THAT THE PREAPPROVAL LETTER IS ISSUED IS NOT A

1 LIMITATION FOR 1 PROJECT THE CONSTRUCTION OF WHICH BEGAN AFTER  
2 JANUARY 1, 2000 AND BEFORE JANUARY 1, 2001 WITHOUT THE MICHIGAN  
3 ECONOMIC GROWTH AUTHORITY DETERMINING THAT THE PROJECT WOULD NOT  
4 OCCUR IN THIS STATE WITHOUT THE TAX CREDIT OFFERED UNDER THIS  
5 SECTION AS PROVIDED IN SUBSECTION (5) IF THE COSTS OF THE ELIGI-  
6 BLE INVESTMENT ARE NOT OTHERWISE REIMBURSED TO THE TAXPAYER OR  
7 PAID FOR ON BEHALF OF THE TAXPAYER FROM ANY SOURCE OTHER THAN THE  
8 TAXPAYER. THE ADDITION OF LEASED MACHINERY, EQUIPMENT, OR FIX-  
9 TURES TO ELIGIBLE PROPERTY BY A LESSEE OF THE MACHINERY, EQUIP-  
10 MENT, OR FIXTURES IS ELIGIBLE INVESTMENT IF THE LEASE OF THE  
11 MACHINERY, EQUIPMENT, OR FIXTURES HAS A MINIMUM TERM OF 10 YEARS  
12 OR IS FOR THE EXPECTED USEFUL LIFE OF THE MACHINERY, EQUIPMENT,  
13 OR FIXTURES, AND IF THE OWNER OF THE MACHINERY, EQUIPMENT, OR  
14 FIXTURES IS NOT THE QUALIFIED TAXPAYER WITH REGARD TO THAT  
15 MACHINERY, EQUIPMENT, OR FIXTURES.

16 (H) "ELIGIBLE PROPERTY" MEANS 1 OF THE FOLLOWING:

17 (i) PROPERTY, INCLUDING PARCELS THAT ARE ADJACENT AND CONTI-  
18 GUOUS TO THAT PROPERTY, FOR WHICH ELIGIBLE ACTIVITIES ARE IDENTI-  
19 FIED IN A BROWNFIELD PLAN THAT WAS USED OR IS CURRENTLY USED FOR  
20 COMMERCIAL, INDUSTRIAL, OR RESIDENTIAL PURPOSES THAT IS IN A  
21 QUALIFIED LOCAL GOVERNMENTAL UNIT AND IS A FACILITY, FUNCTIONALLY  
22 OBSOLETE, OR BLIGHTED.

23 (ii) FOR A PROJECT ALLOWED UNDER SUBSECTION (4)(B), PROPER-  
24 TY, INCLUDING PARCELS THAT ARE ADJACENT AND CONTIGUOUS TO THAT  
25 PROPERTY, FOR WHICH ELIGIBLE ACTIVITIES ARE IDENTIFIED IN A  
26 BROWNFIELD PLAN THAT IS A FACILITY AND THAT IS NOT IN A QUALIFIED  
27 LOCAL GOVERNMENTAL UNIT.

1       (iii) A FACILITY, INCLUDING PARCELS THAT ARE ADJACENT AND  
2 CONTIGUOUS TO THAT PROPERTY, THAT IS NOT IN A QUALIFIED LOCAL  
3 GOVERNMENTAL UNIT IN THIS STATE FOR WHICH ELIGIBLE ACTIVITIES ARE  
4 IDENTIFIED IN A BROWNFIELD PLAN IF THE TOTAL OF ALL CREDITS FOR A  
5 PROJECT ON THAT FACILITY ALLOWED UNDER THIS SECTION IS  
6 \$1,000,000.00 OR LESS.

7       (I) "ELIGIBLE TAXPAYER" MEANS AN ELIGIBLE BUSINESS THAT  
8 MEETS THE CRITERIA UNDER SECTION 8(5) OF THE MICHIGAN ECONOMIC  
9 GROWTH AUTHORITY ACT, 1995 PA 24, MCL 207.808.

10       (J) "MICHIGAN ECONOMIC GROWTH AUTHORITY" MEANS THE MICHIGAN  
11 ECONOMIC GROWTH AUTHORITY CREATED IN THE MICHIGAN ECONOMIC GROWTH  
12 AUTHORITY ACT, 1995 PA 24, MCL 207.801 TO 207.810.

13       (K) "PAYROLL" AND "TAX RATE" MEAN THOSE TERMS AS DEFINED IN  
14 SECTION 37C.

15       (L) "PERSONAL PROPERTY" MEANS THAT TERM AS DEFINED IN SEC-  
16 TION 8 OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.8,  
17 EXCEPT THAT PERSONAL PROPERTY DOES NOT INCLUDE EITHER OF THE  
18 FOLLOWING:

19       (i) PERSONAL PROPERTY DESCRIBED IN SECTION 8(H), (I), OR (J)  
20 OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.8.

21       (ii) BUILDINGS DESCRIBED IN SECTION 14(6) OF THE GENERAL  
22 PROPERTY TAX ACT, 1893 PA 206, MCL 211.14.

23       (M) "PROJECT" MEANS THE TOTAL OF ALL ELIGIBLE INVESTMENT ON  
24 AN ELIGIBLE PROPERTY OR, FOR PURPOSES OF SUBSECTION (4)(B), ALL  
25 ELIGIBLE INVESTMENT ON PROPERTY NOT IN A QUALIFIED LOCAL GOVERN-  
26 MENTAL UNIT THAT IS A FACILITY.

1 (N) "QUALIFIED LOCAL GOVERNMENTAL UNIT" MEANS THAT TERM AS  
2 DEFINED IN THE OBSOLETE PROPERTY REHABILITATION ACT.

3 (O) "QUALIFIED TAXPAYER" MEANS A TAXPAYER THAT MEETS BOTH OF  
4 THE FOLLOWING CRITERIA:

5 (i) OWNS OR LEASES ELIGIBLE PROPERTY.

6 (ii) CERTIFIES THAT THE DEPARTMENT OF ENVIRONMENTAL QUALITY  
7 HAS NOT SUED OR ISSUED A UNILATERAL ORDER TO THE TAXPAYER PURSU-  
8 ANT TO PART 201 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PRO-  
9 TECTION ACT, 1994 PA 451, MCL 324.20101 TO 324.20142, TO COMPEL  
10 RESPONSE ACTIVITY ON OR TO THE ELIGIBLE PROPERTY, OR EXPENDED ANY  
11 STATE FUNDS FOR RESPONSE ACTIVITY ON OR TO THE ELIGIBLE PROPERTY  
12 AND DEMANDED REIMBURSEMENT FOR THOSE EXPENDITURES FROM THE QUALI-  
13 FIED TAXPAYER.

14 (P) "RESPONSE ACTIVITY" MEANS THAT TERM AS DEFINED IN THE  
15 BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2651  
16 TO 125.2672.

17 (Q) "TAX LIABILITY ATTRIBUTABLE TO AUTHORIZED BUSINESS  
18 ACTIVITY" MEANS THE TAX LIABILITY IMPOSED BY THIS ACT AFTER THE  
19 CALCULATION OF CREDITS PROVIDED IN SECTIONS 36, 37, AND 39.

20 Enacting section 1. This amendatory act does not take  
21 effect unless all of the following bills of the 90th Legislature  
22 are enacted into law:

23 (a) House Bill No. 4400.

24 (b) House Bill No. 5443.

25 (c) House Bill No. 5444.