

# HOUSE BILL No. 6476

November 7, 2002, Introduced by Rep. Kolb and referred to the Committee on Tax Policy.

A bill to amend 1975 PA 228, entitled  
"Single business tax act,"  
(MCL 208.1 to 208.145) by adding section 37e.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 37E. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,  
2        2002, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY  
3        THIS ACT EQUAL TO THE COST PAID IN THE TAX YEAR FOR ECOLOGICALLY  
4        FRIENDLY ACTIVITIES NOT TO EXCEED 10% OF THE TAXPAYER'S TAX  
5        LIABILITY FOR THE TAX YEAR.

6        (2) THE DEPARTMENT, IN CONJUNCTION WITH THE DEPARTMENT OF  
7        ENVIRONMENTAL QUALITY, SHALL DEVELOP STANDARDS TO DETERMINE ELI-  
8        GIBILITY FOR THE CREDIT ALLOWED UNDER THIS SECTION.

9        (3) A TAXPAYER THAT CLAIMS A CREDIT UNDER THIS SECTION SHALL  
10       INCLUDE RECEIPTS OR OTHER ACCEPTABLE DOCUMENTATION, AS DETERMINED

1 BY THE DEPARTMENT, OF EXPENSES ON WHICH THE CREDIT IS BASED WITH  
2 THE ANNUAL RETURN REQUIRED BY THIS ACT.

3 (4) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX  
4 YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS  
5 SECTION EXCEED THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX  
6 YEAR, THE EXCESS SHALL NOT BE REFUNDED, BUT MAY BE CARRIED FOR-  
7 WARD AS AN OFFSET TO THE TAX LIABILITY IN SUBSEQUENT TAX YEARS  
8 FOR 10 TAX YEARS OR UNTIL THE EXCESS CREDIT IS USED UP, WHICHEVER  
9 OCCURS FIRST.

10 (5) AS USED IN THIS SECTION, "ECOLOGICALLY FRIENDLY  
11 ACTIVITIES" MEANS ALL OF THE FOLLOWING:

12 (A) DEVELOPMENT AND UTILIZATION OF SOURCES OF RENEWABLE  
13 ENERGY AS PART OF THE TAXPAYER'S BUSINESS ACTIVITY.

14 (B) STRATEGIES OR PURCHASES THAT INCREASE THE ENERGY EFFI-  
15 CIENCY OF THE TAXPAYER'S FACILITY OR BUSINESS PROCESSES BY MORE  
16 THAN 30% WHEN MEASURED AGAINST THE TAXPAYER'S ENERGY CONSUMPTION  
17 PRIOR TO THE INTRODUCTION OF THE STRATEGIES OR PURCHASES.

18 (C) INTRODUCTION OF POLLUTION PREVENTION MEASURES TO THE  
19 TAXPAYER'S FACILITY OR BUSINESS PROCESSES.

20 (D) MITIGATION OF STORMWATER RUNOFF AND RESULTANT POLLUTION  
21 THROUGH NATURAL SYSTEMS CHANGES ON THE TAXPAYER'S BUSINESS SITE  
22 OR FACILITY.

23 (E) OTHER INVESTMENT IN SUSTAINABLE DEVELOPMENT TO INCREASE  
24 ENERGY EFFICIENCY AND REDUCE POLLUTION AND INTRODUCTION OF TOXIC  
25 SUBSTANCES INTO THE ENVIRONMENT.