STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004

Introduced by Senator Brown

ENROLLED SENATE BILL No. 1093

AN ACT to amend 1975 PA 228, entitled "An act to provide for the imposition, levy, computation, collection, assessment and enforcement, by lien or otherwise, of taxes on certain commercial, business, and financial activities; to prescribe the manner and times of making certain reports and paying taxes; to prescribe the powers and duties of public officers and state departments; to permit the inspection of records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits, and refunds; to provide penalties; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to provide an appropriation," (MCL 208.1 to 208.145) by adding section 37f.

The People of the State of Michigan enact:

Sec. 37f. (1) For tax years that begin after December 31, 2004, a taxpayer with gross receipts of $10,000,000.00 or less for a tax year may claim a credit against the tax imposed by this act equal to 1% of compensation paid to employees who perform created jobs for that tax year.

(2) If the credit allowed under this section for the tax year and any unused carryforward of the credit allowed under this section exceed the tax liability of the taxpayer for the tax year, the excess shall not be refunded, but may be carried forward as an offset to the tax liability in subsequent tax years for 10 tax years or until the excess credit is used up, whichever occurs first.

(3) As used in this section, "created jobs" means jobs that meet all of the following criteria:

(a) Did not exist in this state in the immediately preceding tax year.

(b) Represent an overall increase in full-time equivalent jobs in this state for the tax year from the total number of full-time equivalent jobs in this state in the immediately preceding tax year.

(c) Is not a job into which an employee transfers if the employee worked in this state for the taxpayer or an entity with which the taxpayer files a consolidated return under section 77 in another job prior to beginning the created job.

(d) The benefits for the employee in the created job include health care coverage or health insurance.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gary E Randall

Clerk of the House of Representatives

Approved

Governor