

SENATE BILL No. 812

October 30, 2003, Introduced by Senators STAMAS, BIRKHOLZ, GOSCHKA, KUIPERS, BISHOP, SIKKEMA, HAMMERSTROM, CROPSEY, GEORGE, GILBERT, PATTERSON, BROWN, VAN WOERKOM, SANBORN, JELINEK, McMANUS, HARDIMAN, JOHNSON and GARCIA and referred to the Committee on Commerce and Labor.

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 2003, a taxpayer that purchases tangible personal property from a
3 qualified tool and die business may claim a credit against the
4 tax imposed by this act equal to the amount actually paid to the
5 qualified tool and die business for that tangible personal
6 property within 365 days after the taxpayer ordered that tangible
7 personal property.

8 (2) The credit allowed under this section is in addition to
9 all other credits allowed under this act, and costs used to
10 calculate a credit under this section may be used to calculate
11 any other credit allowed under this act as applicable.

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

8 (4) As used in this section, "qualified tool and die
9 business" means an entity that meets all of the following
10 criteria:

11 (a) Has an industrial classification under the North American
12 industrial classification system (NAICS) of 333511, 333512,
13 333513, 333514, or 333515.

14 (b) Has entered into a collaboration agreement as determined
15 by the Michigan strategic fund with other business entities that
16 have an industrial classification under the North American
17 industrial classification system (NAICS) of 333511, 333512,
18 333513, 333514, or 333515.

19 (c) Has fewer than 50 full-time employees.