

SENATE BILL No. 1274

June 1, 2004, Introduced by Senator BROWN and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 37f. (1) For tax years that begin after December 31,
2 2004 and before January 1, 2006, a taxpayer with gross receipts
3 of \$10,000,000.00 or less for a tax year may claim a credit
4 against the tax imposed by this act equal to 1% of compensation
5 paid to employees who perform created jobs for that tax year.

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

SENATE BILL No. 1274

1 occurs first.

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

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

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

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

15 (d) The benefits for the employee in the created job include
16 coverage under health and welfare and noninsured benefit plans.