

HOUSE BILL No. 4408

February 24, 2005, Introduced by Reps. Kooiman, Tobocman, Gosselin, Stewart and Sak and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 272.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 272. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2004, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 ACT EQUAL TO 25% OF THE COST OF LEAD ABATEMENT TO THE TAXPAYER'S
4 PRINCIPAL RESIDENCE OR TO RESIDENTIAL RENTAL PROPERTY OWNED BY THE
5 TAXPAYER THAT IS NOT PAID FOR BY OR REIMBURSED FROM ANY STATE OR
6 FEDERAL FUNDS.

7 (2) IF THE AMOUNT OF THE CREDIT EXCEEDS THE TAX LIABILITY OF
8 THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE CREDIT THAT
9 EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED.

1 (3) A TAXPAYER THAT CLAIMS A CREDIT UNDER THIS SECTION SHALL
2 RETAIN ALL OF THE FOLLOWING RECORDS TO SUPPORT THAT CLAIM AND MAKE
3 ALL DOCUMENTATION AVAILABLE TO THE DEPARTMENT UPON REQUEST:

4 (A) RECEIPTS FOR ALL COSTS USED AS A BASIS FOR THE CREDIT.

5 (B) A LEAD HAZARD RISK ASSESSMENT PERFORMED BY A CERTIFIED
6 RISK ASSESSOR THAT DEMONSTRATES THE EXISTENCE OF A LEAD HAZARD TO
7 THE TAXPAYER'S PRINCIPAL RESIDENCE OR THE RESIDENTIAL RENTAL
8 PROPERTY OWNED BY THE TAXPAYER.

9 (C) A LEAD HAZARD RISK ASSESSMENT PERFORMED BY A CERTIFIED
10 RISK ASSESSOR AFTER THE ABATEMENT BY THE TAXPAYER THAT DEMONSTRATES
11 THAT THE LEAD HAZARD TO THE TAXPAYER'S PRINCIPAL RESIDENCE OR
12 RESIDENTIAL RENTAL PROPERTY HAS BEEN REMEDIATED OR ABATED.

13 (4) AS USED IN THIS SECTION:

14 (A) "LEAD ABATEMENT" MEANS, EXCEPT AS OTHERWISE PROVIDED IN
15 THIS SUBSECTION, A MEASURE OR SET OF MEASURES DESIGNED TO
16 PERMANENTLY ELIMINATE LEAD-BASED PAINT HAZARDS BY THE REMOVAL OF
17 LEAD-BASED PAINT AND LEAD-CONTAMINATED DUST, THE PERMANENT
18 ENCLOSURE OR ENCAPSULATION OF LEAD-BASED PAINT, THE REPLACEMENT OF
19 LEAD-PAINTED SURFACES OR FIXTURES, THE REMOVAL OR COVERING OF LEAD-
20 CONTAMINATED SOIL, AND ALL PREPARATION, CLEANUP, DISPOSAL, AND
21 POSTABATEMENT CLEARANCE TESTING ACTIVITIES ASSOCIATED WITH THESE
22 MEASURES. LEAD ABATEMENT DOES NOT INCLUDE EITHER OF THE FOLLOWING:

23 (i) RENOVATION, REMODELING, LANDSCAPING, OR OTHER ACTIVITY, IF
24 THE ACTIVITY IS NOT DESIGNED TO PERMANENTLY ELIMINATE LEAD-BASED
25 PAINT HAZARDS, BUT IS INSTEAD DESIGNED TO REPAIR, RESTORE, OR
26 REMODEL A STRUCTURE EVEN THOUGH THE ACTIVITY MAY INCIDENTALLY
27 RESULT IN A REDUCTION OR ELIMINATION OF A LEAD-BASED PAINT HAZARD.

1 (ii) AN INTERIM CONTROL, OPERATION, OR MAINTENANCE ACTIVITY, OR
2 OTHER MEASURE OR ACTIVITY DESIGNED TO TEMPORARILY, BUT NOT
3 PERMANENTLY, REDUCE A LEAD-BASED PAINT HAZARD.

4 (B) "LEAD-BASED PAINT" MEANS PAINT OR OTHER SURFACE COATINGS
5 THAT CONTAIN LEAD EQUAL TO OR IN EXCESS OF 1.0 MILLIGRAM PER SQUARE
6 CENTIMETER OR MORE THAN 0.5% BY WEIGHT.

7 (C) "LEAD-CONTAMINATED DUST" MEANS SURFACE DUST IN A
8 RESIDENTIAL DWELLING OR CHILD OCCUPIED FACILITY THAT CONTAINS AN
9 AREA OR MASS CONCENTRATION OF LEAD AT OR IN EXCESS OF LEVELS
10 IDENTIFIED BY THE ENVIRONMENTAL PROTECTION AGENCY PURSUANT TO
11 SECTION 403 OF TITLE IV OF THE TOXIC SUBSTANCE CONTROL ACT, 15 USC
12 2683, OR AS OTHERWISE DEFINED BY RULE.

13 (D) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED IN
14 SECTION 7DD OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
15 211.7DD.