

HOUSE BILL No. 5461

November 29, 2005, Introduced by Reps. Farhat, Drolet, Palmer, Brandenburg, Hoogendyk, Kooiman, Gosselin, LaJoy, Pavlov, Ward, Huizenga, Marleau, Mortimer, Robertson, Stakoe, Stahl, Sheen, Steil, Shaffer, Hummel, Kahn, Moolenaar, Taub, Booher, Vander Veen, Pearce, Nitz, Baxter, Elsenheimer, Acciavatti and Schuitmaker 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 35g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 35G. (1) FOR TAX YEARS BEGINNING ON AND AFTER JANUARY 1,
2 2008 AND BEFORE JANUARY 1, 2009, A PERSON MAY CLAIM A CREDIT
3 AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO 15% OF THE PROPERTY
4 TAXES PAID IN THE TAX YEAR BY THE PERSON ON INDUSTRIAL PERSONAL
5 PROPERTY.

6 (2) A PERSON THAT IS NOT OTHERWISE REQUIRED TO FILE A RETURN
7 UNDER THIS ACT MAY CLAIM THE CREDIT UNDER THIS SECTION.

8 (3) TO QUALIFY FOR THE CREDITS UNDER THIS SECTION FOR AN ITEM
9 OF TANGIBLE PERSONAL PROPERTY, A PERSON THAT IS OTHERWISE ELIGIBLE
10 TO CLAIM THE CREDIT ALLOWED UNDER THIS SECTION SHALL FILE WITHIN

1 THE TIME REQUIRED THE STATEMENT OF PERSONAL PROPERTY DESCRIBED IN
2 SECTION 19 OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
3 211.19, FOR ITEMS OF TANGIBLE PERSONAL PROPERTY THAT ARE CLASSIFIED
4 AS INDUSTRIAL PERSONAL PROPERTY FOR THE LOCATION AT WHICH THE
5 TANGIBLE PERSONAL PROPERTY THAT IS THE BASIS OF THE CREDIT ALLOWED
6 UNDER THIS SECTION IS LOCATED.

7 (4) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
8 LIABILITY OF THE PERSON FOR THE TAX YEAR OR IF PERSON DOES NOT HAVE
9 A TAX LIABILITY UNDER THIS ACT FOR THE TAX YEAR, THE EXCESS OR THE
10 AMOUNT OF THE CREDIT SHALL BE REFUNDED OR PAID TO THE PERSON. THE
11 STATE TREASURER SHALL ESTABLISH A RESERVE ACCOUNT IN THE DEPARTMENT
12 TO FUND AND PROVIDE FOR PAYMENT OF THE AMOUNT OF REFUNDS OR
13 PAYMENTS FOR CREDITS UNDER THIS SECTION THAT ARE ATTRIBUTABLE TO
14 THE FISCAL YEARS ENDING IN THE TAX YEARS FOR WHICH CREDITS ARE
15 CLAIMED.

16 (5) THE CREDIT ALLOWED UNDER THIS SECTION SHALL BE CALCULATED
17 AFTER APPLICATION OF ALL OTHER CREDITS ALLOWED UNDER THIS ACT.

18 (6) AS USED IN THIS SECTION:

19 (A) "INDUSTRIAL PERSONAL PROPERTY" MEANS PERSONAL PROPERTY
20 CLASSIFIED AS INDUSTRIAL PERSONAL PROPERTY UNDER SECTION 34C OF THE
21 GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.34C.

22 (B) "PROPERTY TAXES" MEANS ANY OF THE FOLLOWING:

23 (i) TAXES COLLECTED UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA
24 206, MCL 211.1 TO 211.157.

25 (ii) TAXES LEVIED UNDER 1974 PA 198, MCL 207.551 TO 207.572.

26 (iii) TAXES LEVIED UNDER THE OBSOLETE PROPERTY REHABILITATION
27 ACT, 2000 PA 146, MCL 125.2781 TO 125.2797.

1 (iv) ANY PAYMENTS MADE BY THE TAXPAYER PURSUANT TO A CONTRACT
2 WITH THE MICHIGAN STRATEGIC FUND IN CONNECTION WITH THE CREATION OF
3 A RENAISSANCE ZONE UNDER THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA
4 376, MCL 125.2681 TO 125.2696, TO THE EXTENT THAT THOSE PAYMENTS
5 ARE MADE BY THE TAXPAYER TO REIMBURSE ALL TAXING UNITS FOR PROPERTY
6 TAXES THAT WOULD OTHERWISE BE EXEMPT UNDER SECTION 7FF OF THE
7 GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.7FF.

8 (v) ANY PAYMENTS MADE BY A TAXPAYER PURSUANT TO A CONTRACT
9 WITH AN ELIGIBLE LOCAL ASSESSING DISTRICT TO THE EXTENT THAT THOSE
10 PAYMENTS ARE MADE TO REIMBURSE TAXING UNITS FOR PROPERTY TAXES THAT
11 WOULD OTHERWISE BE PAYABLE UNDER THE GENERAL PROPERTY TAX ACT, 1893
12 PA 206, MCL 211.1 TO 211.157. AS USED IN THIS SUBPARAGRAPH,
13 "ELIGIBLE LOCAL ASSESSING DISTRICT" MEANS THAT TERM AS DEFINED IN
14 SECTION 9F OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
15 211.9F.