

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1048

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 253.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 253. (1) EXCEPT AS OTHERWISE PROVIDED UNDER THIS
2 SUBSECTION, FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2008 AND
3 BEFORE JANUARY 1, 2012, A TAXPAYER WITH ADJUSTED GROSS INCOME EQUAL
4 TO OR LESS THAN \$37,500.00 OR FOR A HUSBAND AND WIFE FILING A JOINT
5 RETURN AS PROVIDED IN SECTION 311 WITH ADJUSTED GROSS INCOME EQUAL
6 TO OR LESS THAN \$75,000.00 WHO PURCHASES AND INSTALLS A QUALIFIED
7 HOME IMPROVEMENT FOR HIS OR HER PRINCIPAL RESIDENCE DURING THE TAX
8 YEAR MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT EQUAL
9 TO 10% OF THE AMOUNT PAID BY THE TAXPAYER IN THE TAX YEAR FOR THE

1 PURCHASE AND INSTALLATION OF EACH QUALIFIED HOME IMPROVEMENT OR
2 \$75.00, OR FOR A HUSBAND AND WIFE FILING A JOINT RETURN, \$150.00,
3 WHICHEVER IS LESS, FOR EACH QUALIFIED HOME IMPROVEMENT PURCHASED
4 AND INSTALLED DURING THE TAX YEAR. HOWEVER, A TAXPAYER SHALL NOT
5 CLAIM MORE THAN 1 CREDIT UNDER EACH SUBPARAGRAPH OF SUBSECTION
6 (3) (C) DURING THE SAME TAX YEAR. TO CLAIM THE CREDIT ALLOWED UNDER
7 THIS SUBSECTION, THE TAXPAYER SHALL, IN THE MANNER REQUIRED BY THE
8 DEPARTMENT, PROVIDE VERIFICATION OF THE AMOUNT PAID FOR THE
9 PURCHASE AND INSTALLATION OF THE QUALIFIED HOME IMPROVEMENT ALONG
10 WITH DOCUMENTATION OF ITS COMPLIANCE WITH THE ENERGY STAR ENERGY
11 EFFICIENCY GUIDELINES. IF THE CREDIT ALLOWED UNDER THIS SUBSECTION
12 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
13 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE
14 REFUNDED.

15 (2) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2008 AND
16 BEFORE DECEMBER 31, 2012, A TAXPAYER WITH ADJUSTED GROSS INCOME
17 EQUAL TO OR LESS THAN \$65,000.00 OR FOR A HUSBAND AND WIFE FILING A
18 JOINT RETURN AS PROVIDED IN SECTION 311 EQUAL TO OR LESS THAN
19 \$130,000.00 MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT
20 EQUAL TO THE PERCENTAGES PROVIDED BY THIS SUBSECTION OF THE AMOUNT
21 AUTHORIZED FOR THE CUSTOMER'S ELECTRIC UTILITY UNDER SECTION
22 45(2) (A) OF THE CLEAN, RENEWABLE, AND EFFICIENT ENERGY ACT AND PAID
23 DURING THE TAX YEAR. IF THE CREDIT ALLOWED UNDER THIS SUBSECTION
24 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
25 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE
26 REFUNDED. THE PERCENTAGES OF THE AMOUNTS AUTHORIZED SHALL BE AS
27 FOLLOWS:

House Bill No. 1048 (H-1) as amended September 18, 2008

1 (A) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2008 AND
2 BEFORE JANUARY 1, 2010, 25%.

3 (B) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2009 AND
4 BEFORE JANUARY 1, 2012, 20%.

5 (3) AS USED IN THIS SECTION:

6 (A) "ELECTRIC UTILITY" MEANS THAT TERM AS DEFINED UNDER
7 SECTION 10G OF 1939 PA 3, MCL 460.10G [AND INCLUDES AN ALTERNATIVE
8 ELECTRIC SUPPLIER AS THAT TERM IS DEFINED UNDER SECTION 10G OF 1939 PA
9 3, MCL 460.10G].

10 (B) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED IN
11 SECTION 7DD OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
12 211.7DD, AND EXEMPT FROM TAXATION UNDER SECTION 7CC OF THE GENERAL
13 PROPERTY TAX ACT, 1893 PA 206, MCL 211.7CC.

14 (C) "QUALIFIED HOME IMPROVEMENT" MEANS THE FOLLOWING ITEMS
15 INTENDED FOR RESIDENTIAL OR NONCOMMERCIAL USE THAT MEET OR EXCEED
16 THE APPLICABLE ENERGY STAR ENERGY EFFICIENCY GUIDELINES DEVELOPED
17 BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE UNITED
18 STATES DEPARTMENT OF ENERGY:

19 (i) INSULATION.

20 (ii) FURNACES.

21 (iii) WATER HEATERS.

22 (iv) WINDOWS.

23 (v) REFRIGERATORS, CLOTHES WASHERS, AND [DISHWASHERS].

24 Enacting section 1. This amendatory act does not take effect
25 unless all of the following bills of the 94th Legislature are
26 enacted into law:

(a) Senate Bill No. 213.

(b) House Bill No. 5524.