

HOUSE BILL No. 5624

January 17, 2008, Introduced by Reps. Caul, Hildenbrand, Proos, Knollenberg, Booher, Horn, Opsommer, Meekhof, Pastor, Meltzer and Dean and referred to the Committee on Agriculture.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 278.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 278. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2007, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 ACT EQUAL TO 10% OF THE TOTAL AMOUNT PAID DURING THE TAX YEAR TO
4 PURCHASE BIOMASS FUEL OR \$1,000.00, WHICHEVER IS LESS.

5 (2) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
6 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
7 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE
8 REFUNDED.

9 (3) THE TAXPAYER SHALL ATTACH A RECEIPT FOR BIOMASS FUEL

1 PURCHASED IN THE TAX YEAR TO THE ANNUAL RETURN ON WHICH A CREDIT
2 UNDER THIS SECTION IS CLAIMED.

3 (4) AS USED IN THIS SECTION, "BIOMASS FUEL" MEANS PELLETS MADE
4 FROM AGRICULTURAL OR FOREST PRODUCTS WASTE, INCLUDING, BUT NOT
5 LIMITED TO, CORN, WOOD, AND SWITCHGRASS.