

HOUSE BILL No. 4241

February 10, 2009, Introduced by Reps. Caul, Knollenberg, Booher, Horn, Hansen, Moore, Stamas and Haveman 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 278.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 278. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2009, 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
10 PURCHASED IN THE TAX YEAR TO THE ANNUAL RETURN ON WHICH A CREDIT

1 UNDER THIS SECTION IS CLAIMED.

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