

HOUSE BILL No. 4541

March 10, 2009, Introduced by Reps. Proos, Opsommer, Kurtz, Daley, Caul, Rick Jones, Hansen, Terry Brown, Polidori, Horn, Meekhof, Schuitmaker, Tyler, Pearce and Knollenberg and referred to the Committee on Tax Policy.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding section 463.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 463. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2008, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED UNDER
3 THIS ACT EQUAL TO 10% OF THE QUALIFIED EDUCATIONAL EXPENSES
4 INCURRED DURING THE TAX YEAR BY THE TAXPAYER ON BEHALF OF A
5 QUALIFYING EMPLOYEE. THE MAXIMUM CREDIT ALLOWED IN ANY TAX YEAR
6 SHALL NOT EXCEED \$600.00 FOR EACH QUALIFYING EMPLOYEE.

7 (2) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
8 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
9 EXCESS SHALL NOT BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET
10 TAX LIABILITY IN SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED

1 UP, WHICHEVER OCCURS FIRST.

2 (3) AS USED IN THIS SECTION:

3 (A) "INSTITUTION OF HIGHER EDUCATION" MEANS AN INSTITUTION OF
4 HIGHER EDUCATION OR A COMMUNITY OR JUNIOR COLLEGE DESCRIBED IN
5 SECTION 4, 5, 6, OR 7 OF ARTICLE VIII OF THE STATE CONSTITUTION OF
6 1963 OR AN INDEPENDENT NONPROFIT DEGREE-GRANTING INSTITUTION OF
7 POSTSECONDARY EDUCATION IN THIS STATE THAT IS APPROVED BY THE STATE
8 BOARD OF EDUCATION.

9 (B) "QUALIFIED EDUCATIONAL EXPENSES" MEANS THE TUITION AND
10 FEES CHARGED TO AN INDIVIDUAL WHO IS ENROLLED IN A COURSE OR
11 COURSES OFFERED BY AN INSTITUTION OF HIGHER EDUCATION AND WHO
12 SUCCESSFULLY COMPLETED THAT COURSE OR COURSES WITH A GRADE OF 75 OR
13 ABOVE ON A 100-POINT SCALE OR ITS EQUIVALENT.

14 (C) "QUALIFYING EMPLOYEE" MEANS AN INDIVIDUAL WHO IS EMPLOYED
15 BY THE TAXPAYER FOR AT LEAST 40 HOURS PER WEEK.