

SENATE BILL No. 346

March 5, 2009, Introduced by Senator JANSEN and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 254.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 254. (1) A TAXPAYER THAT PURCHASES A PARCEL OF PROPERTY
2 AFTER APRIL 1, 2009 AND BEFORE JANUARY 1, 2011 THAT RESULTS IN A
3 TRANSFER OF OWNERSHIP OF THAT PROPERTY AND, AS A RESULT, THE
4 TAXABLE VALUE OF THAT PROPERTY IS ADJUSTED UNDER SECTION 27A(3) OF
5 THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.27A, MAY CLAIM A
6 CREDIT AGAINST THE TAX IMPOSED UNDER THIS ACT FOR EACH TAX YEAR
7 THAT THE TAXPAYER OWNS THE PROPERTY AND CLAIMS AN EXEMPTION FOR
8 THAT PROPERTY UNDER SECTION 7CC OF THE GENERAL PROPERTY TAX ACT,
9 1893 PA 206, MCL 211.7CC, AS A PRINCIPAL RESIDENCE FOLLOWING THE
10 YEAR OF THE TRANSFER EQUAL TO THE DIFFERENCE BETWEEN THE TAXES

1 CALCULATED ON THAT PARCEL OF PROPERTY USING THE TAXABLE VALUE AFTER
2 THE ADJUSTMENT UNDER SECTION 27A(3) AND THE TAXES CALCULATED ON
3 THAT PARCEL OF PROPERTY USING THE TAXABLE VALUE BEFORE THE
4 ADJUSTMENT UNDER SECTION 27A(3) .

5 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
6 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE
7 CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED.