

HOUSE BILL NO. 6035

July 23, 2020, Introduced by Reps. Tate, Webber, Frederick, Mueller, Hertel, Brann and Jones
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 206.713) by adding sections 279 and 679.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 279. (1) For tax years that begin on and after January 1,
2 2020, a taxpayer who is a qualified employer may claim a credit
3 against the tax imposed by this part in an amount equal to the
4 following percentage of the purchase price paid by the taxpayer
5 during the tax year to purchase personal protective equipment and
6 supplies for its employees in this state:



1 (a) For a qualified employer that increased the number of
2 employees that it had in this state on February 1, 2020 by at least
3 10% during the tax year and the average wage of its employees
4 exceeds the regional average wage for that same year, 100%.

5 (b) For a qualified employer that retained the same number of
6 employees that it had in this state on February 1, 2020 during the
7 tax year, 50%.

8 (2) The department may require reasonable proof from the
9 taxpayer in support of the purchase prices claimed under this
10 section and the number of employees retained or hired during the
11 tax year.

12 (3) If the credit allowed by this section exceeds the tax
13 liability of the taxpayer for the tax year, that portion of the
14 credit that exceeds the tax liability of the taxpayer for the tax
15 year shall be refunded.

16 (4) As used in this section:

17 (a) "COVID-19 safety protocol plan" means a COVID-19 exposure
18 prevention, preparedness, and response plan that meets all of the
19 following requirements:

20 (i) Complies with any applicable law, including any applicable
21 executive orders regarding safeguards to protect Michigan's workers
22 from COVID-19.

23 (ii) Is consistent with best practices for infection prevention
24 and industrial hygiene.

25 (iii) Promotes remote work to the fullest extent possible,
26 including, but not limited to, increasing the number of telework-
27 eligible employees.

28 (iv) Implements enhanced cleaning, screening, testing, and
29 contact tracing procedures and any additional infection-control



1 measures that are reasonable in light of the work performed at the
2 worksite and the rate of infection in the surrounding community.

3 (b) "Disinfecting products" means products designed to
4 disinfect or sanitize an individual, workplace, or protective
5 equipment. Disinfecting products include, but are not limited to,
6 antibacterial soap, disinfecting spray, disinfecting wipes, and
7 hand sanitizer.

8 (c) "Personal protective equipment and supplies" means
9 protective equipment and disinfecting products.

10 (d) "Protective equipment" means items for human wear and
11 designed as protection of the wearer against injury or disease or
12 as protection against damage or injury of other persons or property
13 but not suitable for general use. Protective equipment includes,
14 but is not limited to, breathing masks, face shields, respirators,
15 protective gloves, and safety glasses and goggles.

16 (e) "Qualified employer" means an employer located in this
17 state that adopts a COVID-19 safety protocol plan and submits that
18 plan to the department.

19 Sec. 679. (1) For tax years that begin on and after January 1,
20 2020, a taxpayer that is a qualified employer may claim a credit
21 against the tax imposed by this part in an amount equal to the
22 following percentage of the purchase price paid by the taxpayer
23 during the tax year to provide personal protective equipment and
24 supplies for its employees in this state:

25 (a) For a qualified employer that increased the number of
26 employees that it had in this state on February 1, 2020 by at least
27 10% during the tax year and the average wage of its employees
28 exceeds the regional average wage for that same year, 100%.

29 (b) For a qualified employer that retained the same number of



1 employees that it had in this state on February 1, 2020 during the
2 tax year, 50%.

3 (2) The department may require reasonable proof from the
4 taxpayer in support of the purchase prices claimed under this
5 section and the number of employees retained or hired during the
6 tax year.

7 (3) If the credit allowed by this section exceeds the tax
8 liability of the taxpayer for the tax year, that portion of the
9 credit that exceeds the tax liability of the taxpayer for the tax
10 year shall be refunded.

11 (4) As used in this section:

12 (a) "COVID-19 safety protocol plan" means a COVID-19 exposure
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14 following requirements:

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18 (ii) Is consistent with best practices for infection prevention
19 and industrial hygiene.

20 (iii) Promotes remote work to the fullest extent possible,
21 including, but not limited to, increasing the number of telework-
22 eligible employees.

23 (iv) Implements enhanced cleaning, screening, testing, and
24 contact tracing procedures and any additional infection-control
25 measures that are reasonable in light of the work performed at the
26 worksite and the rate of infection in the surrounding community.

27 (b) "Disinfecting products" means products designed to
28 disinfect or sanitize an individual, workplace, or protective
29 equipment. Disinfecting products include, but are not limited to,



1 antibacterial soap, disinfecting spray, disinfecting wipes, and
2 hand sanitizer.

3 (c) "Personal protective equipment and supplies" means
4 protective equipment and disinfecting products.

5 (d) "Protective equipment" means items for human wear and
6 designed as protection of the wearer against injury or disease or
7 as protection against damage or injury of other persons or property
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