



**House
Legislative
Analysis
Section**

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ADOPT-A-LOT TAX CREDIT

House Bill 5129

Sponsor: Rep. Joseph Young, Jr.

Committee: Taxation

Complete to 10-7-91

A SUMMARY OF HOUSE BILL 5129 AS INTRODUCED 9-17-91

The bill would amend the City Income Tax Act to allow a city to grant a credit of up to \$100 against the tax to a taxpayer who participates in an "adopt-a-lot" program. The credit would be for the amount spent on maintaining or improving a city lot or \$100, whichever was less. It would be a refundable credit; that is, if the amount of the credit exceeded the taxpayer's tax liability, the taxpayer would receive a refund in the amount of the excess. The bill would also provide that if a taxpayer purchased property from the city that he or she had been maintaining or improving under an "adopt-a-lot" program, the amount of the credit taken would be applied to reduce the purchase price. (A city would not be required by the bill to amend its income tax ordinance to provide for this credit, but could do so if it chose to. The administrator of the tax would be required to adopt rules, regulations, or both, for the adopt-a-lot program.)

MCL 141.511 and 141.665a

House Bill 5129 (10-7-91)