



HOUSE BILL No. 5191

October 3, 1995, Introduced by Reps. Bodem, Bullard and Randall and referred to the Committee on Tax Policy.

A bill to amend Act No. 284 of the Public Acts of 1964, entitled "City income tax act," as amended, being sections 141.501 to 141.787 of the Michigan Compiled Laws, by adding section 8 to chapter 1 and section 11c to chapter 2.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 284 of the Public Acts of 1964, as
2 amended, being sections 141.501 to 141.787 of the Michigan
3 Compiled Laws, is amended by adding section 8 to chapter 1 and
4 section 11c to chapter 2 to read as follows:

5 CHAPTER 1

6 SEC. 8. IF ANY PART OF A CITY THAT IMPOSES A CITY INCOME
7 TAX PURSUANT TO THIS ACT IS WITHIN THE BOUNDARIES OF A
8 RENAISSANCE ZONE DESIGNATED PURSUANT TO THE MICHIGAN RENAISSANCE

1 ZONE ACT, THE CITY SHALL AMEND ITS CITY INCOME TAX ORDINANCE TO
2 INCLUDE SECTION 11C OF CHAPTER 2.

3 CHAPTER 2

4 SEC. 11C. (1) FOR THE 1997 TAX YEAR AND EACH TAX YEAR AFTER
5 THE 1997 TAX YEAR, AN INDIVIDUAL WHO IS A RESIDENT OF AND A COR-
6 PORATION THAT IS LOCATED IN A RENAISSANCE ZONE DESIGNATED PURSU-
7 ANT TO THE MICHIGAN RENAISSANCE ZONE ACT IS EXEMPT FROM THE TAX
8 IMPOSED BY THIS ORDINANCE TO THE EXTENT AND FOR THE DURATION PRO-
9 VIDED PURSUANT TO THE MICHIGAN RENAISSANCE ZONE ACT.

10 (2) INCOME DERIVED FROM ILLEGAL ACTIVITY SHALL NOT BE USED
11 TO CALCULATE A CREDIT ALLOWED UNDER THIS SECTION.

12 (3) THE CREDIT ALLOWED UNDER THIS SECTION CONTINUES THROUGH
13 THE TAX YEAR IN WHICH THE RENAISSANCE ZONE DESIGNATION EXPIRES.