



# HOUSE BILL No. 5890

May 21, 1996, Introduced by Reps. Alley, Middaugh, Bullard, Bobier, Profit, Freeman, Randall, McNutt, Owen, Gubow, Willard, Pitoniak, Palamara, Olshove, Gustafson, Rhead, Hill, McManus, Weeks, Kukuk, Law, Leland, Galloway and Perricone and referred to the Committee on Tax Policy.

A bill to amend Act No. 228 of the Public Acts of 1975, entitled "Single business tax act," as amended, being sections 208.1 to 208.145 of the Michigan Compiled Laws, by adding section 37e.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Act No. 228 of the Public Acts of 1975, as  
2 amended, being sections 208.1 to 208.145 of the Michigan Compiled  
3 Laws, is amended by adding section 37e to read as follows:

4 SEC. 37E. (1) FOR THE QUALIFIED TAXPAYER'S FIRST TAX YEAR  
5 THAT BEGINS AFTER DECEMBER 31, 1996, THE TAXPAYER MAY CLAIM A  
6 CREDIT AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO THE FAIR  
7 MARKET VALUE AT THE TIME THE CREDIT UNDER THIS SECTION IS CLAIMED  
8 OF EMISSIONS TESTING EQUIPMENT PURCHASED BY THE TAXPAYER AFTER  
9 JANUARY 1, 1983 AND BEFORE MAY 1, 1996.

1 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX  
2 YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS  
3 SECTION EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR,  
4 THAT PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR  
5 SHALL NOT BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX  
6 LIABILITY IN SUBSEQUENT TAX YEARS UNTIL USED UP OR FOR 10 YEARS,  
7 WHICHEVER OCCURS FIRST.

8 (3) AS USED IN THIS SECTION:

9 (A) "EMISSIONS TESTING EQUIPMENT" MEANS A NONDISPERSIVE  
10 INFRARED-TYPE GAS ANALYZER DESIGNED TO MEASURE EMISSIONS FROM  
11 GASOLINE-FUELED, SPARK IGNITION ENGINES AND THAT WAS MANUFACTURED  
12 TO SPECIFICATIONS SET BY THE DEPARTMENT OF STATE THAT INCLUDE ALL  
13 OF THE FOLLOWING:

14 (i) COMPUTER-CONTROLLED AUTOMATIC TEST SEQUENCING, CUT POINT  
15 SELECTION, PASS/FAIL DECISION MAKING, CERTIFICATE PRINTING, AND  
16 DATA STORAGE.

17 (ii) A KEYBOARD OR OTHER DEVICE FOR ENGINEERING INFORMATION  
18 INTO THE ANALYZER.

19 (iii) A VIDEO DISPLAY SCREEN FOR INSTRUCTIONS TO THE  
20 OPERATOR.

21 (iv) A PRINTER THAT PRINTS OUT THE INSPECTION RESULTS AND  
22 CERTIFICATE NEEDED TO BUY LICENSE PLATES.

23 (B) "QUALIFIED TAXPAYER" MEANS A TAXPAYER THAT MET BOTH OF  
24 THE FOLLOWING CRITERIA AT THE TIME THE EMISSIONS TESTING EQUIP-  
25 MENT WAS PURCHASED:

26 (i) WAS LICENSED TO OPERATE A TESTING STATION AND OPERATED  
27 THAT TESTING STATION AS AN ONGOING COMPONENT OF THE TAXPAYER'S

1 BUSINESS ACTIVITY. AS USED IN THIS SUBSECTION, "TESTING STATION"  
2 MEANS THAT TERM AS DEFINED IN SECTION 5 OF FORMER ACT NO. 83 OF  
3 THE PUBLIC ACTS OF 1980.

4 (ii) WAS LOCATED IN AN AFFECTED AREA AS THAT TERM WAS  
5 DEFINED IN SECTION 3 OF FORMER ACT NO. 83 OF THE PUBLIC ACTS OF  
6 1980.