



SENATE BILL No. 60

January 17, 1995, Introduced by Senator BERRYMAN and referred to the Committee on Finance.

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 39b.

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 39b to read as follows:

4 SEC. 39B. (1) FOR TAX YEARS BEGINNING AFTER DECEMBER 31,
5 1995, A TAXPAYER THAT IS A QUALIFIED EMPLOYER MAY CLAIM A CREDIT
6 AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO 40% OF THE FIRST
7 \$10,000.00 IN WAGES OR COMPENSATION PAID TO EACH EMPLOYEE WITH A
8 DEVELOPMENTAL DISABILITY OR MENTAL ILLNESS IN THE TAX YEAR.

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 YEAR, THAT
4 PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE YEAR SHALL NOT BE
5 REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN
6 SUBSEQUENT TAX YEARS FOR 5 YEARS OR UNTIL USED UP, WHICHEVER
7 OCCURS FIRST.

8 (3) IF A QUALIFIED EMPLOYER DISCONTINUES THE EMPLOYMENT OF
9 AN EMPLOYEE WITH A DEVELOPMENTAL DISABILITY OR MENTAL ILLNESS
10 AFTER RECEIVING A CREDIT UNDER THIS SECTION FOR WAGES PAID TO
11 THAT EMPLOYEE, ALL CARRIED FORWARD CREDITS BASED ON WAGES PAID TO
12 THAT TERMINATED EMPLOYEE SHALL BE FORFEITED.

13 (4) THE DEPARTMENT SHALL MAKE A REPORT TO THE LEGISLATURE ON
14 THE IMPACT OF THIS SECTION NOT MORE THAN 5 YEARS AFTER THE EFFEC-
15 TIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION AND EVERY
16 5 YEARS THEREAFTER.

17 (5) AS USED IN THIS SECTION:

18 (A) "DEVELOPMENTAL DISABILITY" MEANS AN IMPAIRMENT OF GEN-
19 ERAL INTELLECTUAL FUNCTIONING OR ADAPTIVE BEHAVIOR THAT MEETS ALL
20 OF THE FOLLOWING CRITERIA:

21 (i) ORIGINATED BEFORE THE PERSON BECAME 22 YEARS OF AGE.

22 (ii) HAS CONTINUED SINCE ORIGINATION OR CAN BE EXPECTED TO
23 CONTINUE INDEFINITELY.

24 (iii) CONSTITUTES A SUBSTANTIAL BURDEN TO THE IMPAIRED
25 PERSON'S ABILITY TO PERFORM NORMALLY IN SOCIETY.

26 (iv) IS ATTRIBUTABLE TO 1 OR MORE OF THE FOLLOWING:

1 (A) MENTAL RETARDATION.

2 (B) CEREBRAL PALSY.

3 (C) EPILEPSY.

4 (D) AUTISM.

5 (E) ANY OTHER CONDITION FOUND TO BE CLOSELY RELATED TO

6 MENTAL RETARDATION BECAUSE THE CONDITION PRODUCES A SIMILAR

7 IMPAIRMENT OR REQUIRES TREATMENT AND SERVICES SIMILAR TO THOSE

8 REQUIRED FOR A PERSON WHO HAS MENTAL RETARDATION.

9 (F) DYSLEXIA RESULTING FROM A CONDITION DESCRIBED IN THIS

10 SUBPARAGRAPH.

11 (B) "INTEGRATED WORK SETTING" MEANS A WORK SETTING WHERE

12 WORKERS WITH DEVELOPMENTAL DISABILITIES OR MENTAL ILLNESS ARE

13 PHYSICALLY SITUATED IN THE WORK SETTING TO ENABLE FREQUENT SOCIAL

14 INTERACTION DURING THE WORK DAY WITH INDIVIDUALS WHO DO NOT HAVE

15 DEVELOPMENTAL DISABILITIES OR MENTAL ILLNESS AND ARE NOT PAID

16 CAREGIVERS.

17 (C) "MENTAL ILLNESS" MEANS THAT TERM AS DEFINED IN THE

18 MENTAL HEALTH CODE, ACT NO. 258 OF THE PUBLIC ACTS OF 1974, BEING

19 SECTIONS 330.1001 TO 330.2106 OF THE MICHIGAN COMPILED LAWS.

20 (D) "MENTAL RETARDATION" MEANS SIGNIFICANTLY SUBAVERAGE GEN-

21 ERAL INTELLECTUAL FUNCTIONING ACCOMPANIED BY SIGNIFICANT DEFICITS

22 OR IMPAIRMENTS IN ADAPTIVE FUNCTIONING WITH ONSET BEFORE THE AGE

23 OF 18. AS USED IN THIS SUBDIVISION, "SIGNIFICANTLY SUBAVERAGE

24 GENERAL INTELLECTUAL FUNCTIONING" MEANS AN IQ OF 70 OR BELOW ON

25 AN INDIVIDUALLY ADMINISTERED IQ TEST OR FOR INFANTS, A DETERMINA-

26 TION BASED ON CLINICAL JUDGMENT.

1 (E) "QUALIFIED EMPLOYER" MEANS A TAXPAYER THAT MEETS ALL OF
2 THE FOLLOWING CRITERIA:

3 (i) EMPLOYS AN EMPLOYEE WITH A DEVELOPMENTAL DISABILITY OR
4 MENTAL ILLNESS IN AN INTEGRATED WORK SETTING.

5 (ii) HAS A TARGETED JOBS TAX CREDIT CERTIFICATION FOR EACH
6 EMPLOYEE WITH A DEVELOPMENTAL DISABILITY OR MENTAL ILLNESS WHOSE
7 WAGES ARE USED TO CALCULATE A CREDIT UNDER THIS SECTION.

8 (iii) PAYS AT LEAST THE MINIMUM WAGE AS DETERMINED UNDER THE
9 MINIMUM WAGE LAW OF 1964, ACT NO. 154 OF THE PUBLIC ACTS OF 1964,
10 BEING SECTIONS 408.381 TO 408.398 OF THE MICHIGAN COMPILED LAWS,
11 TO EACH EMPLOYEE WITH A DEVELOPMENTAL DISABILITY OR MENTAL ILL-
12 NESS WHOSE WAGES ARE USED TO CALCULATE A CREDIT UNDER THIS
13 SECTION.