



SENATE BILL No. 1032

May 15, 1996, Introduced by Senators GOUGEON, BENNETT, SHUGARS, SCHUETTE and STALLINGS and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

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 38e.

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 38e to read as follows:

4 SEC. 38E. (1) FOR TAX YEARS BEGINNING AFTER DECEMBER 31,
5 1996, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY
6 THIS ACT EQUAL TO THE COSTS PAID IN THE TAX YEAR FOR EQUIPMENT
7 USED BY THE TAXPAYER AT A FACILITY IN THIS STATE TO MITIGATE AIR
8 OR WATER POLLUTION, INCLUDING, BUT NOT LIMITED TO, AIR CLEANING
9 DEVICES AND AIR POLLUTION CONTROL EQUIPMENT THAT COMPLY WITH THE

1 LOWEST ACHIEVABLE EMISSION RATE (LAER) OR BEST AVAILABLE CONTROL
2 TECHNOLOGY (BACT) REQUIREMENTS.

3 (2) A TAXPAYER MAY CLAIM A CREDIT UNDER THIS SECTION FOR
4 COSTS THAT WERE USED BY THE TAXPAYER TO CALCULATE A CREDIT UNDER
5 SECTION 23.

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

13 (4) AS USED IN THIS SECTION:

14 (A) "BEST AVAILABLE CONTROL TECHNOLOGY" MEANS THAT TERM AS
15 DEFINED IN 40 C.F.R. 52.21.

16 (B) "LOWEST ACHIEVABLE EMISSION RATE" MEANS THAT TERM AS
17 DEFINED IN SECTION 171 OF SUBPART 1 OF PART D OF TITLE I OF THE
18 CLEAN AIR ACT, CHAPTER 360, 91 STAT. 746, 42 U.S.C. 7501.