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SBT CREDIT FOR USING RECYCLABLE MATERIALS

House Bill 6047

Sponsor: Rep. Robert Brackenridge
Committee: Tax Policy

Complete to 9-21-98

A SUMMARY OF HOUSE BILL 6047 AS INTRODUCED 9-16-98

The bill would amend the Single Business Tax Act to allow a credit, beginning in 1999, equal to 20 percent of the amount paid in the tax year to purchase machinery and equipment used exclusively in or on the premises of a manufacturing facility in Michigan used to manufacture, process, compound, or produce items of tangible personal property from recyclable materials for sale. The amount of the credit could not exceed five percent of the tax liability for a year.

To qualify for the credit, a taxpayer would have to submit with the annual return 1) certification from the Department of Environmental Quality that the machinery and equipment purchased were integral to the recycling process; and 2) purchase receipts, invoices, and other documentation of the cost paid for the machinery and equipment.

The bill contains definitions of the terms "manufacturing facility" and "recyclable materials".

MCL 208.39c

House Bill 6047 (9-21-98)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.