

**HB 5681, As Passed Senate, October 5, 2000**

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 5681**

A bill to amend 1905 PA 282, entitled

"An act to provide for the assessment of the property, by whomsoever owned, operated or conducted, of railroad companies, union station and depot companies, telegraph companies, telephone companies, sleeping car companies, express companies, car loaning companies, stock car companies, refrigerator car companies, and fast freight companies, and all other companies owning, leasing, running or operating any freight, stock, refrigerator, or any other cars, not being exclusively the property of any railroad company paying taxes upon its rolling stock under the provisions of this act, over or upon the line or lines of any railroad or railroads in this state, and for the levy of taxes thereon by a state board of assessors, and for the collection of such taxes, and to repeal all acts or parts of acts contravening any of the provisions of this act,"

(MCL 207.1 to 207.21) by adding section 13a.

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

**1** SEC. 13A. (1) SUBJECT TO SUBSECTION (2), AN ELIGIBLE COM-  
**2** PANY IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED UNDER THIS ACT  
**3** FOR THE TAX YEAR EQUAL TO THE AMOUNT OF ELIGIBLE EXPENSES

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1 INCURRED DURING THE CALENDAR YEAR IMMEDIATELY PRECEDING THE TAX  
2 YEAR FOR WHICH THE CREDIT UNDER THIS SUBSECTION IS CLAIMED.

3 (2) THE SUM OF THE CREDITS UNDER SUBSECTION (1) AND SECTION  
4 13(2) SHALL NOT EXCEED AN ELIGIBLE COMPANY'S LIABILITY FOR THE  
5 TAX LEVIED UNDER THIS ACT IN THE TAX YEAR IN WHICH THE CREDIT IS  
6 CLAIMED.

7 (3) AN ELIGIBLE COMPANY MAY APPLY FOR THE CREDIT UNDER SUB-  
8 SECTION (1) BY SUBMITTING TO THE STATE BOARD OF ASSESSORS AN  
9 APPLICATION IN THE FORM PRESCRIBED BY THE STATE BOARD OF  
10 ASSESSORS.

11 (4) IF THE BOARD DETERMINES THAT FOR ANY ELIGIBLE COMPANY  
12 THE SUM OF THE CREDITS PROVIDED IN THIS SECTION AND IN SECTION  
13 13(2) EQUALS THE ELIGIBLE COMPANY'S LIABILITY FOR THE TAX LEVIED  
14 UNDER THIS ACT BEFORE APPLICATION OF THE CREDITS, THE BOARD MAY  
15 WAIVE THE APPLICATION REQUIREMENT IN SUBSECTION (3) AND THE  
16 REPORTS AND STATEMENTS REQUIRED UNDER SECTIONS 6, 7, 8, AND 13.  
17 A WAIVER UNDER THIS SUBSECTION DOES NOT AFFECT THE BOARD'S POWERS  
18 UNDER SECTION 3.

19 (5) AS USED IN THIS SECTION:

20 (A) "ELIGIBLE COMPANY" MEANS RAILROAD COMPANIES, UNION STA-  
21 TION AND DEPOT COMPANIES, TELEGRAPH COMPANIES, TELEPHONE COM-  
22 PANIES, SLEEPING CAR COMPANIES, EXPRESS COMPANIES, CAR LOANING  
23 COMPANIES, STOCK CAR COMPANIES, REFRIGERATOR CAR COMPANIES, FAST  
24 FREIGHT LINE COMPANIES, AND ALL OTHER COMPANIES OWNING, LEASING,  
25 RUNNING, OR OPERATING ANY FREIGHT, STOCK, REFRIGERATOR, OR ANY  
26 OTHER CARS NOT THE EXCLUSIVE PROPERTY OF A RAILROAD COMPANY

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1 PAYING TAXES UPON ITS ROLLING STOCK UNDER THIS ACT, OVER OR UPON  
2 THE LINE OR LINES OF ANY RAILROAD IN THIS STATE.

3 (B) "ELIGIBLE EXPENSES" MEANS 1 OR MORE OF THE FOLLOWING:

4 (i) EXPENSES INCURRED IN THIS STATE TO MAINTAIN OR IMPROVE  
5 AN ELIGIBLE COMPANY'S QUALIFIED ROLLING STOCK.

6 (ii) SEVENTY-FIVE PERCENT OF THE EXPENSES INCURRED IN THIS  
7 STATE FOR MAINTENANCE OR IMPROVEMENT OF RIGHTS-OF-WAY, INCLUDING  
8 THOSE ITEMS, EXCEPT DEPRECIATION, IN THE OFFICIAL  
9 MAINTENANCE-OF-WAY AND CAPITAL TRACK ACCOUNTS OF THE RAILROAD  
10 COMPANY.

11 (C) "QUALIFIED ROLLING STOCK" MEANS ANY FREIGHT, STOCK,  
12 REFRIGERATOR, OR OTHER RAILCARS SUBJECT TO THE TAX LEVIED UNDER  
13 THIS ACT.