



HOUSE BILL No. 6028

September 28, 2000, Introduced by Reps. Richner and Van Woerkom and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 267.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 267. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 1999, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY
3 THIS ACT FOR THE TAX YEAR FOR ANY OF THE FOLLOWING AMOUNTS:

4 (A) FOR THE PURCHASE OF A NEW ALTERNATIVE-FUELED VEHICLE,
5 THE AMOUNT DETERMINED UNDER SUBSECTION (2).

6 (B) FOR THE PURCHASE OF A USED ALTERNATIVE-FUELED VEHICLE,
7 THE AMOUNT DETERMINED UNDER SUBSECTION (3).

8 (C) FOR THE PURCHASE OF CONVERSION EQUIPMENT TO CONVERT A
9 CONVENTIONAL-FUELED VEHICLE TO OPERATE ON AN ALTERNATIVE FUEL,
10 THE AMOUNT DETERMINED UNDER SUBSECTION (4).

1 (2) FOR THE PURCHASE OR LEASE OF A NEW ALTERNATIVE-FUELED
2 VEHICLE, THE FOLLOWING APPLY:

3 (A) FOR PURCHASE OR LEASE OF A NEW ORIGINAL EQUIPMENT MANU-
4 FACTURED ALTERNATIVE-FUELED VEHICLE UNDER 12,000 POUNDS GROSS
5 VEHICLE WEIGHT, THE CREDIT ALLOWED IS 30% OF THE COST OF THAT
6 VEHICLE OR \$5,000.00, WHICHEVER IS GREATER.

7 (B) FOR PURCHASE OR LEASE OF A NEW ORIGINAL EQUIPMENT MANU-
8 FACTURED ALTERNATIVE-FUELED VEHICLE OF 12,000 POUNDS GROSS VEHI-
9 CLE WEIGHT OR OVER, THE CREDIT ALLOWED IS 30% OF THE COST OF THAT
10 VEHICLE OR \$30,000.00, WHICHEVER IS GREATER.

11 (3) FOR THE PURCHASE OR LEASE OF A USED ALTERNATIVE-FUELED
12 VEHICLE, THE FOLLOWING APPLY:

13 (A) FOR PURCHASE OR LEASE OF A USED ALTERNATIVE-FUELED VEHI-
14 CLE UNDER 12,000 POUNDS GROSS VEHICLE WEIGHT, THE CREDIT ALLOWED
15 IS 15% OF THE COST OF THAT VEHICLE OR \$2,500.00, WHICHEVER IS
16 GREATER.

17 (B) FOR PURCHASE OR LEASE OF A USED ALTERNATIVE-FUELED VEHI-
18 CLE OF 12,000 POUNDS GROSS VEHICLE WEIGHT OR OVER, THE CREDIT
19 ALLOWED IS 15% OF THE COST OF THAT VEHICLE OR \$15,000.00, WHICH-
20 EVER IS GREATER.

21 (4) FOR THE PURCHASE OF CONVERSION EQUIPMENT TO CONVERT A
22 CONVENTIONAL-FUELED VEHICLE TO OPERATE ON AN ALTERNATIVE FUEL,
23 THE FOLLOWING APPLY:

24 (A) FOR CONVERSION OF A VEHICLE UNDER 12,000 POUNDS GROSS
25 VEHICLE WEIGHT TO USE AN ALTERNATIVE FUEL, THE CREDIT IS THE
26 GREATEST OF THE FOLLOWING:

1 (i) 30% OF THE ACTUAL PURCHASE PRICE OF THAT EQUIPMENT PLUS
2 THE COST OF CONVERSION.

3 (ii) 30% OF THE ORIGINAL MANUFACTURER'S BASE RETAIL PRICE OF
4 THE CONVERTED VEHICLE.

5 (iii) \$5,000.00.

6 (B) FOR CONVERSION OF A VEHICLE OVER 12,000 POUNDS GROSS
7 VEHICLE WEIGHT, THE CREDIT IS THE GREATEST OF THE FOLLOWING:

8 (i) 30% OF THE ACTUAL PURCHASE PRICE OF THAT EQUIPMENT PLUS
9 THE COST OF CONVERSION.

10 (ii) 30% OF THE ORIGINAL MANUFACTURER'S BASE RETAIL PRICE OF
11 THE CONVERTED VEHICLE.

12 (iii) \$30,000.00.

13 (5) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX
14 YEAR EXCEEDS THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT
15 PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT
16 BE REFUNDED.

17 (6) AS USED IN THIS SECTION:

18 (A) "ALTERNATIVE FUEL", "ALTERNATIVE FUELED VEHICLE", AND
19 "MOTOR VEHICLE" MEAN THOSE TERMS AS DEFINED IN SECTION 301 OF
20 TITLE III OF THE ENERGY POLICY ACT OF 1992, PUBLIC LAW 102-486,
21 42 U.S.C. 13211.

22 (B) "CONVENTIONAL FUEL" MEANS FUEL THAT IS SUITABLE FOR USE
23 IN SPARK-IGNITION INTERNAL COMBUSTION ENGINES AND COMMONLY OR
24 COMMERCIALY KNOWN OR SOLD AS GASOLINE.

25 (C) "CONVENTIONAL-FUELED VEHICLE" MEANS A VEHICLE THAT IS
26 PROPELLED BY A CONVENTIONAL FUEL.

1 (D) "DUAL-FUELED VEHICLE" MEANS A VEHICLE THAT HAS THE
2 CAPACITY TO BE PROPELLED BY EITHER CONVENTIONAL FUEL OR
3 ALTERNATIVE FUEL.