

ADOPT-A-LOT TAX CREDIT

House Bill 5035
Sponsor: Rep. Derrick Hale
Committee: Tax Policy

Complete to 8-22-01

A SUMMARY OF HOUSE BILL 5035 AS INTRODUCED 7-12-01

The bill would amend the City Income Tax Act to allow a city with an adopt-a-lot program to elect to grant city income tax credits to taxpayers who participate in the program, with the maximum credit per lot of \$100. Such a credit would be refundable; that is, if it exceeded the amount the taxpayer owed, the excess would be refunded to the taxpayer. A city would not have to adopt a program making such credits available.

Under the bill, an “adopt-a-lot” program would be defined as a program to encourage community involvement to maintain and reclaim abandoned real property under which an individual or a group of individuals agrees, under a city ordinance or resolution, to maintain or improve an abandoned lot. The abandoned real property involved would be property owned by the city. Under the program, the city would designate a city agency to administer such a program, and if it did so, could then amend its city income tax ordinance to establish the adopt-a-lot tax credit.

A taxpayer would not be eligible for the credit if he or she received compensation from the city for the maintenance or improvement of the lot. Unless otherwise provided by ordinance, resolution, or city policy, the city would have to offer the person maintaining or improving the lot the first opportunity to buy the lot when any other person made an offer to buy the lot from the city.

MCL 141.510

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