

HOUSE BILL No. 4849

May 30, 2001, Introduced by Reps. Kilpatrick, Mortimer, Bishop and Woronchak and referred to the Committee on Tax Policy.

A bill to amend 1975 PA 228, entitled
"Single business tax act,"
(MCL 208.1 to 208.145) by adding section 22g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 22G. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2000, AN INSURANCE COMPANY THAT IS A CERTIFIED INVESTOR THAT IS
3 NOT SUBJECT TO SECTION 476A OF THE INSURANCE CODE OF 1956, 1956
4 PA 218, MCL 500.476A, MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED
5 BY THIS ACT EQUAL TO THE AMOUNT OF CERTIFIED CAPITAL CONTRIBUTED
6 TO A CERTIFIED CAPITAL COMPANY PURSUANT TO THE CERTIFIED CAPITAL
7 COMPANY ACT.

8 (2) BEGINNING WITH THE TAX YEAR IN WHICH AN INITIAL INVEST-
9 MENT UNDER THE CERTIFIED CAPITAL COMPANY ACT IS MADE AND EACH TAX
10 YEAR AFTER THAT YEAR, A TAXPAYER THAT CLAIMS A CREDIT UNDER THIS

1 SECTION SHALL CLAIM A MAXIMUM OF 10% OF THE TOTAL AMOUNT OF
2 CERTIFIED CAPITAL CONTRIBUTED.

3 (3) THE CREDIT CLAIMED UNDER THIS SECTION FOR A TAX YEAR
4 SHALL NOT EXCEED THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX
5 YEAR.

6 (4) 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 UNTIL USED UP.

12 (5) THE CREDITS ALLOWED UNDER THIS SECTION SHALL COMPLY WITH
13 THE TAX CREDIT ALLOCATION CLAIM PROVISIONS OF THE CERTIFIED CAPI-
14 TAL COMPANY ACT.

15 (6) AS USED IN THIS SECTION, "CERTIFIED CAPITAL", "CERTIFIED
16 CAPITAL COMPANY", "CERTIFIED INVESTOR", AND "TAX CREDIT ALLOCA-
17 TION CLAIM" MEAN THOSE TERMS AS DEFINED IN THE CERTIFIED CAPITAL
18 COMPANY ACT.

19 Enacting section 1. This amendatory act does not take
20 effect unless Senate Bill No. _____ or House Bill No. 4850
21 (request no. 00130'01 *) of the 91st Legislature is enacted into
22 law.