

SUBSTITUTE FOR
HOUSE BILL NO. 5322

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 270.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 270. (1) For tax years that begin after December 31,
2 2009 and before January 1, 2020, both of the following apply:

3 (a) A taxpayer to whom a certificate and remaining credit
4 amount have been transferred under section 37e of the single
5 business tax act, 1975 PA 228, MCL 208.37e, may claim that credit
6 against the tax imposed by this act equal to the credit amount
7 transferred.

8 (b) A claimant may claim a credit as provided in this
9 section.

10 (2) A credit claimed under this section shall only be claimed
11 in a tax year in which the credit under section 37e of the single

1 business tax act, 1975 PA 228, MCL 208.37e, is not allowed
2 against tax liability under the single business tax act, 1975 PA
3 228, MCL 208.1 to 208.145, or against a tax levied and imposed
4 under a successor tax to the single business tax act, 1975 PA
5 228, MCL 208.1 to 208.145.

6 (3) A credit under this section shall be claimed only in a
7 tax year that begins after December 31, 2009 and before January
8 1, 2020.

9 (4) The credit allowed for any tax year under subsection
10 (1)(a) shall not exceed the amount allowed on the certificate and
11 transferred and for the specified tax year. The credit allowed
12 for any tax year under subsection (1)(b) shall not exceed the
13 amount allowed on the claimant's certificate for the specified
14 tax year.

15 (5) If the taxpayer's or claimant's credit allowed under this
16 section for a tax year exceeds the taxpayer's or claimant's tax
17 liability for the tax year, that portion of the credit that
18 exceeds the tax liability for the tax year shall be refunded.

19 (6) For credits claimed under subsection (1)(a), the
20 certificate transferred to the taxpayer and for credits claimed
21 under subsection (1)(b), the claimant's certificate, shall be
22 attached to the annual return under this act for the first tax
23 year in which a credit under this section or any portion of a
24 credit under this section is claimed.

25 (7) For credits allowed under subsection (1)(b), for a
26 claimant that has no tax liability under this act for the tax
27 year, the amount of the claim under subsection (1)(b) shall be

1 equal to the remaining credit amount the claimant could have
2 claimed under section 37e of the single business tax act, 1975 PA
3 228, MCL 208.37e, had that section been in effect for the tax
4 year.

5 (8) The department shall prescribe the form for claiming the
6 credit under subsection (1)(b), which shall be a form separate
7 and distinct from all other forms under this act.

8 (9) As used in this section:

9 (a) "Certificate" means the certificate issued under section
10 23 of the Michigan early stage venture capital investment act of
11 2003.

12 (b) "Claimant" means a person to whom a certificate has been
13 issued under section 23 of the Michigan early stage venture
14 investment act of 2003.

15 (c) "Remaining credit amount" means the amount of credit
16 allowed under a certificate but not claimed under section 37e of
17 the single business tax act, 1975 PA 228, MCL 208.37e.

18 Enacting section 1. This amendatory act does not take
19 effect unless Senate Bill No. 834 of the 92nd Legislature is
20 enacted into law.