Act No. 295
Public Acts of 2003
Approved by the Governor
January 8, 2004
Filed with the Secretary of State
January 8, 2004
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STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2003

Introduced by Rep. Amos

ENROLLED HOUSE BILL No. 5322

AN ACT to amend 1967 PA 281, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," (MCL 206.1 to 206.532) by adding section 270.

The People of the State of Michigan enact:

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

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

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

(2) A credit claimed under this section shall only be claimed in a tax year in which the credit under section 37e of the single business tax act, 1975 PA 228, MCL 208.37e, is not allowed against tax liability under the single business tax act, 1975 PA 228, MCL 208.1 to 208.145, or against a tax levied and imposed under a successor tax to the single business tax act, 1975 PA 228, MCL 208.1 to 208.145.

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

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

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

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

(7) For credits allowed under subsection (1)(b), for a claimant that has no tax liability under this act for the tax year, the amount of the claim under subsection (1)(b) shall be equal to the remaining credit amount the claimant could have claimed under section 37e of the single business tax act, 1975 PA 228, MCL 208.37e, had that section been in effect for the tax year.

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

(9) As used in this section:

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

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

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

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

This act is ordered to take immediate effect.

Gary L Randall

Clerk of the House of Representatives

Carol Morey Viventi

Secretary of the Senate

Approved

Governor