

Legislative Analysis



WIND ENERGY

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4647

Sponsor: Rep. John Moolenaar

House Bills 4648 and 4649

Sponsor: Rep. Howard Walker

Committee: Government Operations

Complete to 10-24-05

A SUMMARY OF HOUSE BILLS 4647-4649 AS INTRODUCED 4-21-05

House Bill 4647 would amend the Single Business Tax Act (MCL 208.35b) to provide taxpayers that own and use a small wind turbine with a credit against the tax. The credit would be available for tax years beginning after December 31, 2006 and before January 1, 2017. The credit would not be refundable but any excess could be carried forward to offset future tax liability for up to 10 years or until the excess is exhausted, whichever occurs first. The credit would be equal to one-and-one-half cents per kilowatt hour generated in the tax year. A small wind turbine would be a wind turbine that has a maximum electrical generating capacity of two megawatts.

House Bills 4648 and 4649 would amend the Township Zoning Act (MCL 125.286j) and the County Zoning Act (MCL 125.216j), respectively, to permit wind energy conversion systems in all zoning classifications, subject to certain restrictions.

A system would have to meet the following requirements: (1) be built at a distance from all property lines not owned or leased by the owner at a distance at least equal to its height (including the blade); (2) have a minimum vertical clearance from the end of the blade of at least 20 feet; (3) not generate a sound level in excess of 60 decibels (DBA) at the closest property line not served by the system; and (4) comply with applicable construction, electrical, and aviation regulations. A township or county could grant a variance from the above requirements. Interconnected systems would also have to comply with all applicable requirements set forth by the Public Service Commission and the owner's electric supplier. An owner would not be considered a nuisance if the system complies with the requirements of the bill.

FISCAL IMPACT:

Because the number and dollar amount of credits that will be claimed is not known, the corresponding reduction in SBT revenue cannot be determined. At least initially, however, the revenue loss should be fairly small. All SBT revenue accrues to the general fund.

Legislative Analyst: Mark Wolf
Fiscal Analyst: Jim Stansell

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