

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4972

A bill to amend 1975 PA 228, entitled  
"Single business tax act,"  
(MCL 208.1 to 208.145) by adding section 35d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 35D. (1) FOR TAX YEARS BEGINNING ON AND AFTER JANUARY  
2    1, 2006 AND FOR WHICH SUBSECTION (2) DOES NOT APPLY, A PERSON MAY  
3    CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO THE  
4    FOLLOWING PERCENTAGES OF THE PROPERTY TAXES PAID IN THE SPECIFIED  
5    YEARS BY THE PERSON ON INDUSTRIAL PERSONAL PROPERTY PURCHASED IN  
6    THE FOLLOWING YEARS:

7		TAX	TAX	TAX	TAX	TAX	TAX
8	YEAR PROPERTY	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR

							2011 AND AFTER
1	PURCHASED	2006	2007	2008	2009	2010	
2	PRIOR TO 2001	10%	10%	10%	10%	10%	10%
3	2001	20%	10%	10%	10%	10%	10%
4	2002	20%	20%	10%	10%	10%	10%
5	2003	20%	20%	20%	10%	10%	10%
6	2004	20%	20%	20%	20%	10%	10%
7	2005	20%	20%	20%	20%	20%	10%
8	2006	----	45%	30%	25%	20%	20%
9	2007	----	----	45%	30%	25%	20%
10	2008	----	----	----	40%	30%	25%
11	2009	----	----	----	----	30%	25%
12	2010 AND AFTER	----	----	----	----	----	20%

13           (2) FOR TAX YEARS THAT BEGIN AFTER THE JANUARY 1 AFTER THE  
 14 FIRST TIME AFTER DECEMBER 31, 2006 THAT THE CRITERIA UNDER  
 15 SECTION 74 ARE CONSIDERED TO HAVE BEEN MET AND EACH TAX YEAR  
 16 AFTER THAT, A PERSON MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED  
 17 BY THIS ACT EQUAL TO THE FOLLOWING PERCENTAGES OF THE PROPERTY  
 18 TAXES PAID IN THE SPECIFIED TAX YEAR BY THE PERSON ON INDUSTRIAL  
 19 PERSONAL PROPERTY PURCHASED IN THE FOLLOWING YEARS:

					YEAR 4
20	YEAR PROPERTY				
21	PURCHASED	YEAR 1	YEAR 2	YEAR 3	AND AFTER
22	PRIOR TO 2001	10%	10%	10%	10%
23	2001	10%	10%	10%	10%
24	2002	10%	10%	10%	10%
25	2003	25%	10%	10%	10%
26	2004	25%	25%	10%	10%

1	2005	25%	30%	25%	10%
2	2006	40%	40%	30%	20%
3	2007	60%	50%	50%	40%
4	2008	----	60%	50%	40%
5	2009	----	----	50%	40%
6	2010 AND AFTER	----	----	----	40%

7           (3) A TAXPAYER SHALL NOT CLAIM A CREDIT CALCULATED UNDER  
8 SUBSECTION (1) AFTER SUBSECTION (2) IS IN EFFECT.

9           (4) TO QUALIFY FOR THE CREDITS UNDER THIS SECTION FOR AN  
10 ITEM OF TANGIBLE PERSONAL PROPERTY, A PERSON THAT IS OTHERWISE  
11 ELIGIBLE TO CLAIM THE CREDIT ALLOWED UNDER THIS SECTION SHALL  
12 FILE WITHIN THE TIME REQUIRED THE STATEMENT OF PERSONAL PROPERTY  
13 DESCRIBED IN SECTION 19 OF THE GENERAL PROPERTY TAX ACT, 1893 PA  
14 206, MCL 211.19, FOR ITEMS OF TANGIBLE PERSONAL PROPERTY THAT ARE  
15 CLASSIFIED AS INDUSTRIAL PERSONAL PROPERTY FOR THE LOCATION AT  
16 WHICH THE TANGIBLE PERSONAL PROPERTY THAT IS THE BASIS OF THE  
17 CREDIT ALLOWED UNDER THIS SECTION IS LOCATED.

18           (5) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX  
19 LIABILITY OF THE PERSON FOR THE TAX YEAR OR IF PERSON DOES NOT  
20 HAVE A TAX LIABILITY UNDER THIS ACT FOR THE TAX YEAR, THE EXCESS  
21 OR THE AMOUNT OF THE CREDIT SHALL NOT BE REFUNDED OR PAID TO THE  
22 PERSON AND SHALL NOT BE CARRIED FORWARD.

23           (6) AS USED IN THIS SECTION:

24           (A) "FIRST PURCHASED" MEANS WHEN TANGIBLE PERSONAL PROPERTY  
25 WAS INITIALLY SOLD AT RETAIL AND FIRST BOUGHT FROM A MANUFACTURER  
26 OR A DEALER OR DISTRIBUTOR OF THE ORIGINAL MANUFACTURER.

(B) "INDUSTRIAL PERSONAL PROPERTY" MEANS PERSONAL PROPERTY CLASSIFIED AS INDUSTRIAL PERSONAL PROPERTY UNDER SECTION 34C OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.34C.

(C) "PROPERTY TAXES" MEANS ANY OF THE FOLLOWING:

(i) TAXES LEVIED UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157.

(ii) TAXES LEVIED UNDER 1974 PA 198, MCL 207.551 TO 207.572.

(iii) TAXES LEVIED UNDER THE OBSOLETE PROPERTY REHABILITATION ACT, 2000 PA 146, MCL 125.2781 TO 125.2797.

(iv) ANY PAYMENTS MADE BY THE TAXPAYER PURSUANT TO A CONTRACT WITH THE MICHIGAN STRATEGIC FUND IN CONNECTION WITH THE CREATION OF A RENAISSANCE ZONE UNDER THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376, MCL 125.2681 TO 125.2696, TO THE EXTENT THAT THOSE PAYMENTS ARE MADE BY THE TAXPAYER TO REIMBURSE ALL TAXING UNITS FOR PROPERTY TAXES THAT WOULD OTHERWISE BE EXEMPT UNDER SECTION 7FF OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.7FF.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4980.

(b) House Bill No. 5095.

(c) House Bill No. 5096.

(d) House Bill No. 5097.

(e) House Bill No. 5098.

(f) House Bill No. 5106.

(g) House Bill No. 5107.

(h) House Bill No. 5108.

- 1 (i) Senate Bill No. 633.
- 2 (j) Senate Bill No. 634.