

HOUSE BILL No. 5201

September 21, 2005, Introduced by Reps. Tobocman, Kathleen Law, Hopgood, Bieda, Clemente, Kolb, Lipsey, Murphy, Cheeks and Lemmons, III 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 35d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 35D. (1) FOR TAX YEARS BEGINNING AFTER DECEMBER 31, 2005
2 AND EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A QUALIFIED
3 TAXPAYER MAY CLAIM A CREDIT EQUAL TO 105% OF THE AMOUNT OF
4 CONTRIBUTIONS MADE BY THE TAXPAYER IN THE TAX YEAR TO THE MICHIGAN
5 HOUSING AND COMMUNITY DEVELOPMENT FUND.

6 (2) THE DEPARTMENT WITH THE APPROVAL OF THE MICHIGAN STATE
7 HOUSING DEVELOPMENT AUTHORITY SHALL DETERMINE THE MAXIMUM CREDIT
8 ALLOWABLE UNDER THIS SECTION FOR EACH QUALIFIED TAXPAYER THAT MAKES
9 CONTRIBUTIONS TO THE MICHIGAN HOUSING AND COMMUNITY DEVELOPMENT

1 FUND IN A TAX YEAR AND ISSUE EACH QUALIFIED TAXPAYER A CERTIFICATE
2 OF CREDIT THAT INDICATES THE MAXIMUM AMOUNT OF CREDIT THE TAXPAYER
3 MAY CLAIM.

4 (3) CONTRIBUTIONS USED TO CALCULATE THE QUALIFIED TAXPAYER'S
5 ALLOWABLE CREDIT AMOUNT AS DETERMINED UNDER SUBSECTION (2) SHALL
6 NOT EXCEED 50% OF THE QUALIFIED TAXPAYER'S TAX LIABILITY FOR THE
7 TAX YEAR.

8 (4) THE MAXIMUM AMOUNT OF TOTAL CREDITS ALLOWABLE UNDER THIS
9 SECTION FOR EACH TAX YEAR IS THE AMOUNT CALCULATED BY MULTIPLYING
10 \$3.00 TIMES THE POPULATION OF THIS STATE AS DETERMINED BY THE MOST
11 RECENT FEDERAL DECENNIAL CENSUS. THE DOLLAR AMOUNT UNDER THIS
12 SECTION SHALL BE ADJUSTED ANNUALLY TO REFLECT ANY INCREASE IN THE
13 UNITED STATES CONSUMER PRICE INDEX FOR THE IMMEDIATELY PRECEDING
14 CALENDAR YEAR.

15 (5) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR
16 AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS SECTION
17 EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION
18 THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE
19 REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN
20 SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER
21 OCCURS FIRST.

22 (6) AS USED IN THIS SECTION:

23 (A) "MICHIGAN HOUSING AND COMMUNITY DEVELOPMENT FUND" MEANS
24 THE MICHIGAN HOUSING AND COMMUNITY DEVELOPMENT FUND CREATED IN THE
25 MICHIGAN HOUSING AND COMMUNITY DEVELOPMENT FUND ACT.

26 (B) "QUALIFIED TAXPAYER" MEANS A TAXPAYER THAT HAS RECEIVED A
27 CERTIFICATE OF CREDIT FROM THE DEPARTMENT THAT IS APPROVED BY THE

1 MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY.

2 (C) "UNITED STATES CONSUMER PRICE INDEX" MEANS THE UNITED
3 STATES CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS AS DEFINED AND
4 REPORTED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
5 STATISTICS.