

# SENATE BILL No. 1301

June 13, 2006, Introduced by Senator GILBERT and referred to the Committee on Finance.

A bill to provide for the claiming and transferring of tax credits for certain economic development activities.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the  
2 "credit preservation act".

3           Sec. 2. As used in this act:

4           (a) "Brownfield credit" means the tax credit available under  
5 section 38g(2), (3), and (33) of the single business tax act, 1975  
6 PA 228, MCL 208.38g.

7           (b) "Historic preservation credit" means tax credit available  
8 under section 39c of the single business tax act, 1975 PA 228, MCL  
9 208.39c.

10           (c) "Single business tax act" means the single business tax

1 act, 1975 PA 228, MCL 208.1 to 208.145.

2       Sec. 3. A qualified taxpayer that has a preapproval letter  
3 issued before December 31, 2006 for a brownfield credit approved  
4 under section 38g(2), (3), or (33) of the single business tax act,  
5 1975 PA 228, MCL 208.38g, for a project that is not completed  
6 before the date on which the single business tax act is repealed  
7 but is completed before January 1, 2010, may claim the credit  
8 amount approved under section 38g(2), (3), or (33) of the single  
9 business tax act, 1975 PA 228, MCL 208.38g, against the taxpayer's  
10 tax liability under the single business tax act, on the taxpayer's  
11 annual return filed under the single business tax act, for the  
12 taxpayer's last tax year under the single business tax act. A  
13 credit under this section shall be taken after all other credits  
14 the taxpayer claims for the tax year under the single business tax  
15 act and shall not exceed the amount that the taxpayer would have  
16 been allowed to claim for the 2008 tax year for projects completed  
17 in 2008 or for the 2009 tax year for projects completed in 2009. If  
18 the amount of a credit under this section exceeds the taxpayer's  
19 tax liability for the tax year under the single business tax act,  
20 the amount by which the credit exceeds the taxpayer's tax liability  
21 under the single business tax act shall be refunded.

22       Sec. 4. A qualified taxpayer that has a rehabilitation plan  
23 certified before December 31, 2006 for the rehabilitation of a  
24 historic resource for which a certificate of completion is not  
25 issued before the date on which the single business tax act is  
26 repealed, but for which a certificate of completion is issued  
27 before January 1, 2010, may claim the historic preservation credit

1 allowed under section 39c of the single business tax act, 1975 PA  
2 228, MCL 208.39c, against the taxpayer's tax liability on the  
3 taxpayer's annual return filed under the single business tax act  
4 for the taxpayer's last tax year under the single business tax act.  
5 A credit under this section shall be taken after all other credits  
6 the taxpayer claims for the tax year under the single business tax  
7 act and shall not exceed the amount that the taxpayer would have  
8 been allowed to claim for the 2008 tax year for projects completed  
9 in 2008 or for the 2009 tax year for projects completed in 2009. If  
10 the amount of a credit under this section exceeds the taxpayer's  
11 tax liability for the tax year under the single business tax act,  
12 the amount by which the credit exceeds the taxpayer's tax liability  
13 under the single business tax act shall be refunded.