

SENATE BILL No. 1471

September 20, 2006, Introduced by Senators LELAND, THOMAS, BRATER, PRUSI, WHITMER, CHERRY, OLSHOVE and EMERSON and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 275.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 275. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2005, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 ACT EQUAL TO THE DIFFERENCE BETWEEN THE CREDIT AMOUNT RECEIVED BY
4 THE TAXPAYER IN THE IMMEDIATELY PRECEDING TAX YEAR UNDER SECTION
5 527A AND THE AMOUNT THAT THE TAXPAYER WOULD HAVE RECEIVED UNDER
6 SECTION 527A FOR THE IMMEDIATELY PRECEDING TAX YEAR IF THE CREDIT
7 UNDER SECTION 527A HAD NOT BEEN REDUCED UNDER SECTION 527A(18).

8 (2) IF THE AMOUNT UNDER SUBSECTION (1) IS NOT REDUCED UNDER
9 SECTION 527A(18), THE TAXPAYER SHALL NOT CLAIM A CREDIT UNDER THIS

1 SECTION.

2 (3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
3 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
4 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE
5 REFUNDED.