

Act No. 113
Public Acts of 2006
Approved by the Governor
April 7, 2006
Filed with the Secretary of State
April 10, 2006

EFFECTIVE DATE: 91st day after final adjournment of 2006 Regular Session

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2006**

Introduced by Senators George, Stamas and Van Woerkom

ENROLLED SENATE BILL No. 599

AN ACT to amend 1975 PA 228, entitled "An act to provide for the imposition, levy, computation, collection, assessment and enforcement, by lien or otherwise, of taxes on certain commercial, business, and financial activities; to prescribe the manner and times of making certain reports and paying taxes; to prescribe the powers and duties of public officers and state departments; to permit the inspection of records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits, and refunds; to provide penalties; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to provide an appropriation," (MCL 208.1 to 208.145) by adding section 35e.

The People of the State of Michigan enact:

Sec. 35e. (1) For projects approved under section 38g for which a certificate of completion is issued on and after January 1, 2006, a qualified taxpayer may assign all or a portion of a credit allowed under section 38g(2), (3), or (33) under this section. A credit assignment under this subsection is irrevocable and, except for a credit assignment based on a multiphase project, shall be made in the tax year in which a certificate of completion is issued. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. If the qualified taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which a certificate of completion is issued pursuant to section 38g. An assignee may subsequently assign a credit or any portion of a credit assigned under this section to 1 or more assignees. An assignment under this section of a credit allowed under section 38g(2), (3), or (33) shall not be made after 10 years after the first tax year in which that credit under section 38g(2), (3), or (33) may be claimed. The credit assignment or a subsequent reassignment under this section shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which an assignment or reassignment is made. An assignee or subsequent reassignee shall attach a copy of the completed assignment form to its annual return required under this act, for the tax year in which the assignment or reassignment is made and the assignee or reassignee first claims a credit, which shall be the same tax year. A credit assignment based on a credit for a component of a multiphase project that is completed before January 1, 2006 shall be made under section 38g(18). A credit assignment based on a credit for a component of a multiphase project that is completed on or after January 1, 2006 may be made under this section. In addition to all other procedures and requirements under this section, the following apply if the total of all credits for a project is more than \$10,000,000.00 but \$30,000,000.00 or less:

(a) The credit shall be assigned based on the schedule contained in the certificate of completion.

(b) If the qualified taxpayer assigns all or a portion of the credit amount, the qualified taxpayer shall assign the annual credit amount for each tax year separately.


(c) More than 1 annual credit amount may be assigned to any 1 assignee and the qualified taxpayer may assign all or a portion of each annual credit amount to any assignee.

(2) As used in this section, "multiphase project", "project", and "qualified taxpayer" mean those terms as defined in section 38g.

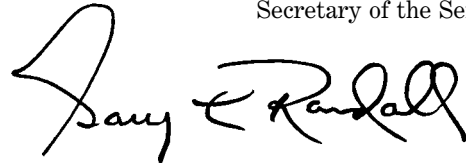
Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4733.

(b) House Bill No. 4734.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor