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Senate Bill 910 (as reported without amendment)
Sponsor: Senator Jason E. Allen
Committee: Commerce and Tourism

CONTENT

The bill would amend the Michigan Economic Growth Authority (MEGA) Act to do all of the following:

- Specify that an authorized business would be eligible for tax credits provided under the Michigan Business Tax (MBT) Act, in addition to credits provided under the Single Business Tax (SBT) Act.
- Authorize MEGA to determine the eligibility of, and issue certificates to, qualified taxpayers for credits allowed under the MBT Act.
- Delete a provision authorizing MEGA to approve relocation of public buildings or operations for economic development purposes under the Brownfield Redevelopment Financing Act.

Under the SBT Act (which will expire on December 31, 2007), an authorized business may claim credits against the SBT for engaging in certain business activities, creating qualified new jobs, or maintaining retained jobs in Michigan, if the authorized business has a certificate issued under the MEGA Act. The MBT Act (which will take effect on January 1, 2008) similarly provides for certain tax credits for businesses that require a certificate issued by MEGA. The bill would authorize MEGA to determine a business's eligibility for those MBT credits and issue certificates to qualified taxpayers.

MCL 207.806 & 207.809

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would update the Michigan Economic Growth Authority Act with appropriate references to the new Michigan business tax. These proposed changes are "technical" in nature and therefore the bill would have no fiscal impact on State or local government.

Date Completed: 11-27-07

Fiscal Analyst: Jay Wortley