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BILL ANALYSIS

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Senate Bill 982 (as enacted)
Sponsor: Senator Jason E. Allen
Senate Committee: Economic Development and Regulatory Reform
House Committee: New Economy and Quality of Life

**PUBLIC ACT 578 of 2008**

Date Completed: 7-27-09

## CONTENT

**The bill amended the Michigan Business Tax (MBT) Act to include projects that are amended on and after April 8, 2008, in provisions that set limits on tax credits for certain brownfield projects.**

The Act allows a qualified taxpayer to claim a credit against the MBT for certain brownfield development projects if the taxpayer has unused credits or a preapproval letter issued after December 31, 2007, and before January 1, 2013, or received a preapproval letter before January 1, 2008, under the former Single Business Tax Act.

For some of those projects, the MBT Act establishes credit amounts for projects *approved* on and after April 8, 2008, that have specified investment levels. The bill refers to projects approved, *or amended*, on and after that date.

The limits in question apply to a brownfield project for which eligible investments total $10.0 million or less, or total more than $10.0 million but less than $300.0 million. The credit limits are a specified percentage of eligible investments, and depend in part on whether a project is in a qualified local governmental unit or is designated as an urban development area project by the Michigan Economic Growth Authority. (April 8, 2008, is the effective date of amendments to the MBT Act setting these limits.)

The bill took effect on January 16, 2008.

MCL 208.1437

Legislative Analyst: Patrick Affholter

## FISCAL IMPACT

The bill will have no fiscal impact on State or local government.

Fiscal Analyst: David Zin