

SUBSTITUTE FOR
HOUSE BILL NO. 5972

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding section 432.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 432. (1) A QUALIFIED TAXPAYER THAT HAS ENTERED INTO AN
2 AGREEMENT WITH THE MICHIGAN ECONOMIC GROWTH AUTHORITY THAT PROVIDES
3 THAT THE QUALIFIED TAXPAYER WILL CONSTRUCT AND OPERATE A NEW OR
4 EXPANDED FACILITY DESCRIBED IN THE AGREEMENT UNDER THIS SECTION FOR
5 THE MANUFACTURE OF POLYCRYSTALLINE SILICON MAY CLAIM A CREDIT
6 AGAINST THE TAX IMPOSED BY THIS ACT FOR A PERIOD OF 12 YEARS
7 CALCULATED AS PROVIDED IN SECTIONS 432A THROUGH 432D AND CLAIMED
8 FOR THE TAX YEARS AS PROVIDED IN SECTIONS 432A THROUGH 432D. THIS
9 CREDIT SHALL BE TAKEN AFTER ALL OTHER CREDITS PROVIDED UNDER THIS
10 ACT.

1 (2) THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL NOT ENTER
2 INTO MORE THAN 1 AGREEMENT UNDER THIS SECTION AND SHALL NOT ENTER
3 INTO AN AGREEMENT AFTER SEPTEMBER 30, 2008.

4 (3) A QUALIFIED TAXPAYER SHALL NOT CLAIM A CREDIT UNDER
5 SECTIONS 432A THROUGH 432D UNLESS THE MICHIGAN ECONOMIC GROWTH
6 AUTHORITY HAS ISSUED A CERTIFICATE TO THAT TAXPAYER. THE QUALIFIED
7 TAXPAYER SHALL ATTACH THE CERTIFICATE TO THE ANNUAL RETURN FILED
8 UNDER THIS ACT ON WHICH A CREDIT UNDER THIS SECTION IS CLAIMED.

9 (4) THE CERTIFICATE REQUIRED UNDER SUBSECTION (3) SHALL STATE
10 ALL OF THE FOLLOWING:

11 (A) THE TAXPAYER IS A QUALIFIED TAXPAYER.

12 (B) THE AMOUNT OF THE CREDIT UNDER THIS SECTION FOR THE
13 QUALIFIED TAXPAYER FOR THE DESIGNATED TAX YEAR.

14 (C) THE TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER OR
15 THE MICHIGAN DEPARTMENT OF TREASURY NUMBER ASSIGNED TO THE TAXPAYER
16 AND FOR A TAXPAYER THAT IS A UNITARY BUSINESS GROUP, THE FEDERAL
17 EMPLOYER IDENTIFICATION NUMBER OR MICHIGAN DEPARTMENT OF TREASURY
18 NUMBER ASSIGNED TO THE MEMBER OF THE GROUP ENGAGED IN THIS STATE IN
19 THE MANUFACTURE OF POLYCRYSTALLINE SILICON FOR SOLAR CELLS AND
20 SEMICONDUCTOR MICROCHIPS.

21 (5) FOR PURPOSES OF THIS SECTION AND SECTIONS 432A THROUGH
22 432D:

23 (A) "GUARANTEED COST OF ELECTRICITY" MEANS THE FOLLOWING:

24 (i) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2011 AND
25 BEFORE JANUARY 1, 2019, 4.85 CENTS PER KILOWATT HOUR.

26 (ii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2018 AND
27 BEFORE JANUARY 1, 2021, 5.20 CENTS PER KILOWATT HOUR.

1 (iii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2020 AND
2 BEFORE JANUARY 1 2024, 6.00 CENTS PER KILOWATT HOUR.

3 (B) "PROJECTED COST OF ELECTRICITY" MEANS THE FOLLOWING:

4 (i) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2011 AND
5 BEFORE JANUARY 1, 2013, 6.49 CENTS PER KILOWATT HOUR.

6 (ii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2012 AND
7 BEFORE JANUARY 1, 2014, 6.66 CENTS PER KILOWATT HOUR.

8 (iii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2013 AND
9 BEFORE JANUARY 1, 2015, 6.84 CENTS PER KILOWATT HOUR.

10 (iv) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2014 AND
11 BEFORE JANUARY 1, 2016, 7.02 CENTS PER KILOWATT HOUR.

12 (v) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2015 AND
13 BEFORE JANUARY 1, 2017, 7.20 CENTS PER KILOWATT HOUR.

14 (vi) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2016 AND
15 BEFORE JANUARY 1, 2018, 7.40 CENTS PER KILOWATT HOUR.

16 (vii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2017 AND
17 BEFORE JANUARY 1, 2019, 7.59 CENTS PER KILOWATT HOUR.

18 (viii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2018 AND
19 BEFORE JANUARY 1, 2020, 7.79 CENTS PER KILOWATT HOUR.

20 (ix) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2019 AND
21 BEFORE JANUARY 1, 2021, 8.00 CENTS PER KILOWATT HOUR.

22 (x) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2020 AND
23 BEFORE JANUARY 1, 2022, 8.21 CENTS PER KILOWATT HOUR.

24 (xi) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2021 AND
25 BEFORE JANUARY 1, 2023, 8.43 CENTS PER KILOWATT HOUR.

26 (xii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2022 AND
27 BEFORE JANUARY 1, 2024, 8.65 CENTS PER KILOWATT HOUR.

1 (C) "QUALIFIED TAXPAYER" MEANS A TAXPAYER WHOSE BUSINESS
2 ACTIVITY CONDUCTED IN THIS STATE INCLUDES THE MANUFACTURING OF
3 POLYCRYSTALLINE SILICON FOR SOLAR CELLS AND SEMICONDUCTOR
4 MICROCHIPS.

5 Enacting section 1. This amendatory act does not take effect
6 unless all of the following bills of the 94th Legislature are
7 enacted into law:

- 8 (a) House Bill No. 5383.
9 (b) House Bill No. 5524.
10 (c) House Bill No. 5525.
11 (d) House Bill No. 5548.
12 (e) House Bill No. 5549.