

HOUSE BILL No. 4258

February 13, 2007, Introduced by Reps. Moolenaar, Nofs, Palsrok, Garfield, Sheen, Meekhof, Caul, Walker, Huizenga and Stahl and referred to the Committee on Energy and Technology.

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," (MCL 206.1 to 206.532) by adding section 278.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 278. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2006, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 ACT EQUAL TO THE DIFFERENCE BETWEEN THE COST THE TAXPAYER PAID TO
4 SUPPLY ELECTRICITY TO HIS OR HER HOME UNDER A QUALIFIED ENERGY
5 PROGRAM AND THE COST THE TAXPAYER WOULD HAVE PAID TO SUPPLY
6 ELECTRICITY TO HIS OR HER HOME IF THE TAXPAYER HAD NOT PARTICIPATED
7 IN THE QUALIFIED ENERGY PROGRAM, NOT TO EXCEED \$100.00 PER TAX
8 YEAR.

9 (2) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
10 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT

1 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE
2 REFUNDED.

3 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ON THE ENERGY
4 BILLING STATEMENT THAT IS SENT TO THE TAXPAYER IN MARCH OF EACH
5 YEAR, THE UTILITY PROVIDER THAT PROVIDES A QUALIFIED ENERGY PROGRAM
6 SHALL PROVIDE BOTH OF THE FOLLOWING AMOUNTS TO EACH TAXPAYER THAT
7 PARTICIPATES IN THE UTILITY'S QUALIFIED ENERGY PROGRAM:

8 (A) THE ENERGY COSTS PAID IN THE IMMEDIATELY PRECEDING
9 CALENDAR YEAR UNDER THE QUALIFIED ENERGY PROGRAM.

10 (B) THE ENERGY COSTS THE TAXPAYER WOULD HAVE PAID IN THE
11 IMMEDIATELY PRECEDING CALENDAR YEAR IF THE TAXPAYER HAD NOT
12 PARTICIPATED IN A QUALIFIED ENERGY PROGRAM.

13 (4) AS USED IN THIS SECTION:

14 (A) "HOME" MEANS A PRINCIPAL RESIDENCE EXEMPT FROM TAXATION
15 UNDER SECTION 7CC OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
16 211.7CC.

17 (B) "QUALIFIED ENERGY PROGRAM" MEANS A GREEN ENERGY PROGRAM
18 APPROVED BY THE MICHIGAN PUBLIC SERVICE COMMISSION AND CERTIFIED BY
19 A NATIONALLY RECOGNIZED, INDEPENDENT, CREDIBLE THIRD PARTY
20 ORGANIZATION THAT VERIFIES BOTH OF THE FOLLOWING:

21 (i) THE GREEN ENERGY PROGRAM MEETS CERTAIN MARKETING STANDARDS
22 ESTABLISHED BY THE ORGANIZATION.

23 (ii) THE ELECTRICITY SOLD UNDER THE PROGRAM IS GENERATED FROM A
24 RENEWABLE ENERGY RESOURCE AND ITS GENERATION MEETS CERTAIN
25 ENVIRONMENTAL STANDARDS.