

HOUSE BILL No. 6178

May 22, 2008, Introduced by Reps. Bieda, Angerer, Sheltroun, Byrnes, Opsommer, Valentine, Condino, Marleau, Moolenaar, McDowell, Mayes, Lahti, Young, Stahl, Calley, Corriveau, Kathleen Law, Simpson, LeBlanc, Knollenberg, Byrum and Meisner and referred to the Committee on Tax Policy.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding sections 461 and 462.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 461. (1) FOR TAX YEARS THAT BEGIN ON AND AFTER JANUARY 1,
2 2008, A TAXPAYER THAT CONSTRUCTS OR RENOVATES AN INDUSTRIAL GREEN
3 BUILDING OR COMMERCIAL GREEN BUILDING MAY CLAIM A CREDIT AGAINST
4 THE TAX IMPOSED BY THIS ACT EQUAL TO \$10,000.00 FOR EACH INDUSTRIAL
5 GREEN BUILDING AND COMMERCIAL GREEN BUILDING OR AN AMOUNT EQUAL TO
6 THE COST OF LEED CERTIFICATION AS REQUIRED UNDER THIS SECTION PER
7 BUILDING, WHICHEVER IS GREATER, BUT NOT MORE THAN \$22,500.00 PER
8 BUILDING.

9 (2) A TAXPAYER SHALL NOT CLAIM A CREDIT UNDER THIS SECTION FOR

1 AN INDUSTRIAL GREEN BUILDING OR COMMERCIAL GREEN BUILDING UNLESS
2 THAT GREEN BUILDING HAS RECEIVED LEED CERTIFICATION. THE TAXPAYER
3 SHALL ATTACH THE CERTIFICATE TO THE ANNUAL RETURN FILED UNDER THIS
4 ACT ON WHICH THE CREDIT UNDER THIS SECTION IS CLAIMED. FOR AN
5 INDUSTRIAL GREEN BUILDING OR COMMERCIAL GREEN BUILDING, THE
6 CERTIFICATE REQUIRED UNDER THIS SUBSECTION SHALL STATE, AT A
7 MINIMUM, THAT THE INDUSTRIAL OR COMMERCIAL BUILDING MEETS OR
8 EXCEEDS THE SILVER LEVEL LEED CERTIFICATION STANDARDS FOR HUMAN AND
9 ENVIRONMENTAL HEALTH; SUSTAINABLE SITE DEVELOPMENT; WATER SAVINGS;
10 ENERGY EFFICIENCY; MATERIALS SELECTION; AND INDOOR ENVIRONMENTAL
11 QUALITY WITHIN 365 DAYS OF COMPLETION OF THE CONSTRUCTION OR
12 RENOVATION.

13 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR
14 AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS SECTION
15 EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION
16 THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE
17 REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN
18 SUBSEQUENT TAX YEARS FOR 4 YEARS OR UNTIL USED UP, WHICHEVER OCCURS
19 FIRST.

20 (4) AS USED IN THIS SECTION:

21 (A) "COMMERCIAL GREEN BUILDING" MEANS A GREEN BUILDING THAT IS
22 NOT A RESIDENTIAL GREEN BUILDING OR INDUSTRIAL GREEN BUILDING BUT
23 IS A PLACE WHERE A BUSINESS IS LOCATED AND IS FREQUENTED BY THE
24 PUBLIC.

25 (B) "GREEN BUILDING" MEANS A RESOURCE-EFFICIENT,
26 ENVIRONMENTALLY SENSITIVE STRUCTURE THAT IS DESIGNED TO SAVE MONEY,
27 REDUCE WASTE, WATER, AND ENERGY USAGE, INCREASE WORKER

1 PRODUCTIVITY, AND CREATE HEALTHIER ENVIRONMENTS FOR PEOPLE TO LIVE
2 AND WORK IN.

3 (C) "INDUSTRIAL GREEN BUILDING" MEANS ANY GREEN BUILDING THAT
4 IS SUITABLE FOR, AND INTENDED FOR OR INCIDENTAL TO, USE AS A
5 FACTORY, MILL, SHOP, PROCESSING PLANT, ASSEMBLY PLANT, FABRICATING
6 PLANT, WAREHOUSE, RESEARCH AND DEVELOPMENT FACILITY, AN
7 ENGINEERING, ARCHITECTURAL, OR DESIGN FACILITY, OR A TOURIST AND
8 RESORT FACILITY.

9 (D) "LEED CERTIFICATION" MEANS THE CERTIFICATION AWARDED BY
10 THE USGBC BASED ON THE MOST CURRENT LEADERSHIP IN ENERGY AND
11 ENVIRONMENTAL DESIGN GREEN BUILDING RATING SYSTEM DEVELOPED AND
12 ADOPTED BY THE USGBC FOR NEW BUILDINGS AND MAJOR RENOVATIONS.

13 (E) "RESIDENTIAL GREEN BUILDING" MEANS ANY GREEN BUILDING THAT
14 IS A DETACHED 1- AND 2-FAMILY DWELLING, TOWNHOUSE, OR ACCESSORY
15 STRUCTURE REGULATED BY THE MICHIGAN RESIDENTIAL CODE PROMULGATED
16 PURSUANT TO THE STILLE-DEROSSETT-HALE SINGLE STATE CONSTRUCTION
17 CODE ACT, 1972 PA 230, MCL 125.1501 TO 125.1531.

18 (F) "USGBC" MEANS THE UNITED STATES GREEN BUILDING COUNCIL,
19 WHICH MEASURES AND EVALUATES THE ENERGY AND ENVIRONMENTAL
20 PERFORMANCE OF A BUILDING ACCORDING TO ITS OWN LEADERSHIP IN ENERGY
21 AND ENVIRONMENTAL DESIGN (LEED) RATING SYSTEM.

22 SEC. 462. (1) FOR TAX YEARS THAT BEGIN ON AND AFTER JANUARY 1,
23 2008, A TAXPAYER THAT IS INCLUDED IN MAJOR GROUPS 15, 16, OR 17
24 UNDER THE STANDARD INDUSTRIAL CLASSIFICATION CODE AS COMPILED BY
25 THE UNITED STATES DEPARTMENT OF LABOR MAY CLAIM A CREDIT AGAINST
26 THE TAX IMPOSED BY THIS ACT EQUAL TO THE SUM OF 50% OF THE
27 QUALIFIED EXPENSES DEFINED IN SUBSECTION (3) (B) (i) AND (ii) AND 100%

1 OF THE QUALIFIED EXPENSES DEFINED IN SUBSECTION (3) (B) (iii) PAID BY
2 THE TAXPAYER DURING THE TAX YEAR OR \$2,000.00 FOR EACH EMPLOYEE
3 THAT BECOMES A LEED ACCREDITED PROFESSIONAL DURING THE TAX YEAR,
4 WHICHEVER IS LESS.

5 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
6 LIABILITY OF THE TAXPAYER UNDER THIS ACT FOR THE TAX YEAR, THAT
7 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE
8 REFUNDED.

9 (3) AS USED IN THIS SECTION:

10 (A) "LEED CERTIFICATION" MEANS THE CERTIFICATION AWARDED BY
11 THE USGBC BASED ON THE MOST CURRENT LEADERSHIP IN ENERGY AND
12 ENVIRONMENTAL DESIGN GREEN BUILDING RATING SYSTEM DEVELOPED AND
13 ADOPTED BY THE USGBC FOR NEW BUILDINGS AND MAJOR RENOVATIONS.

14 (B) "QUALIFIED EXPENSES" MEANS ALL OF THE FOLLOWING EXPENSES
15 PAID BY THE TAXPAYER DURING THE TAX YEAR FOR TRAINING AND LEED
16 ACCREDITATION OF ITS EMPLOYEES:

17 (i) SALARY AND WAGES ATTRIBUTABLE TO THOSE EMPLOYEES SEEKING
18 LEED PROFESSIONAL ACCREDITATION.

19 (ii) FRINGE BENEFITS AND OTHER PAYROLL EXPENSES ATTRIBUTABLE TO
20 THOSE EMPLOYEES SEEKING LEED PROFESSIONAL ACCREDITATION.

21 (iii) COSTS OF CLASSROOM INSTRUCTION, TRAINING, AND OTHER
22 RELATED EXPENSES IDENTIFIED AS COSTS FOR WHICH THE TAXPAYER IS
23 RESPONSIBLE UNDER AN AGREEMENT TO ASSIST THE EMPLOYEE IN OBTAINING
24 LEED PROFESSIONAL ACCREDITATION.

25 (C) "USGBC" MEANS THE UNITED STATES GREEN BUILDING COUNCIL,
26 WHICH MEASURES AND EVALUATES THE ENERGY AND ENVIRONMENTAL
27 PERFORMANCE OF A BUILDING ACCORDING TO ITS OWN LEADERSHIP IN ENERGY

1 AND ENVIRONMENTAL DESIGN (LEED) RATING SYSTEM.