

**SUBSTITUTE FOR
SENATE BILL NO. 1**

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
by amending section 281 (MCL 208.1281), as added by 2007 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 281. (1) In addition to the taxes imposed and levied
2 under this act and subject to subsections (2) ~~, AND (3), and (4),~~
3 to meet deficiencies in state funds an annual surcharge is imposed
4 and levied on each taxpayer equal to the following percentage of
5 the taxpayer's tax liability under this act after allocation or
6 apportionment to this state under this act but before calculation
7 of the various credits available under this act:

8 (a) For each taxpayer other than a person subject to the tax
9 imposed and levied under chapter 2B: 7

1 (i) FOR TAX YEARS ENDING AFTER DECEMBER 31, 2007 AND BEFORE
2 JANUARY 1, 2009, 21.99%.

3 (ii) FOR TAX YEARS ENDING AFTER DECEMBER 31, 2008 AND BEFORE
4 JANUARY 1, 2010, 11.0%.

5 (b) For a person subject to the tax imposed and levied under
6 chapter 2B:

7 (i) For tax years ending after December 31, 2007 and before
8 January 1, 2009, 27.7%.

9 (ii) For tax years ending after December 31, 2008, 23.4%.

10 (2) If the Michigan personal income growth exceeds 0% in any 1
11 of the 3 calendar years immediately preceding the 2017 calendar
12 year, then the surcharge under subsection ~~(1)~~ **(1) (B)** shall not be
13 levied and imposed on or after January 1, 2017. For purposes of
14 this subsection, "Michigan personal income" means personal income
15 for this state as defined by the bureau of economic analysis of the
16 United States department of commerce or its successor.

17 (3) The amount of the surcharge imposed and levied on any
18 taxpayer under subsection (1) (a) shall not exceed \$6,000,000.00 for
19 ~~any single tax year~~ **THE 2008 TAX YEAR AND \$3,000,000.00 FOR THE**
20 **2009 TAX YEAR.**

21 (4) The surcharge imposed and levied under this section does
22 not apply to either of the following:

23 (a) A person subject to the tax imposed and levied under
24 chapter 2A.

25 (b) A person subject to the tax imposed and levied under
26 chapter 2B that is authorized to exercise only trust powers.

27 (5) The surcharge imposed and levied under this section shall

- 1 constitute a part of the tax imposed under this act and shall be
- 2 administered, collected, and enforced as provided under this act.