

# HOUSE BILL No. 5788

February 9, 2010, Introduced by Rep. Slezak 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 section 402.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 402. NOTWITHSTANDING ANY OTHER PROVISION UNDER THIS  
2        CHAPTER, BEGINNING OCTOBER 1, 2010 EACH WRITTEN AGREEMENT REQUIRED  
3        FOR A TAX CREDIT UNDER THIS CHAPTER SHALL INCLUDE BOTH OF THE  
4        FOLLOWING:

5        (A) A PENALTY PROVISION IN THE EVENT THE TAXPAYER RELOCATES  
6        OUTSIDE OF THIS STATE DURING THE TERMS OF THE WRITTEN AGREEMENT OR  
7        SUBSEQUENTLY FAILS TO MEET THE REQUIREMENTS OF THE AGREEMENT OR ANY  
8        OTHER CONDITIONS INCLUDED IN THE AGREEMENT. THE PENALTY PROVISION  
9        SHALL PROVIDE THAT THE TAXPAYER SHALL HAVE AN AMOUNT EQUAL TO THE

1 TOTAL AMOUNT OF THE CREDIT RECEIVED BY THE TAXPAYER UNDER THE  
2 AGREEMENT ADDED BACK TO THE TAX LIABILITY OF THE TAXPAYER IN THE  
3 TAX YEAR THAT THE TAXPAYER RELOCATES OUTSIDE OF THIS STATE OR FAILS  
4 TO COMPLY WITH THE AGREEMENT.

5 (B) A PROVISION THAT THE TAXPAYER CONSENTS TO THE JURISDICTION  
6 OF THE COURTS OF THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF A  
7 PENALTY DESCRIBED IN THIS SECTION.