

HOUSE BILL No. 6273

June 17, 2010, Introduced by Reps. Slezak, Roy Schmidt, Terry Brown, Sheltroun, LeBlanc, Liss, Kandrevas, Geiss, Huckleberry, Mayes, Haugh and Johnson 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 465.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 465. (1) FOR THE 2010 AND 2011 TAX YEARS, A QUALIFIED
2 TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT
3 EQUAL TO THE TOTAL COMPENSATION PAID BY THE QUALIFIED TAXPAYER TO
4 ALL QUALIFIED EMPLOYEES DURING THE TAX YEAR FOR WHICH THE CREDIT IS
5 CLAIMED OR \$10,000.00 FOR EACH QUALIFIED EMPLOYEE, WHICHEVER IS
6 LESS. THE CREDIT ALLOWED UNDER THIS SECTION SHALL BE TAKEN AFTER
7 ALL OTHER CREDITS PROVIDED UNDER THIS ACT.

8 (2) IF THE CREDIT ALLOWED UNDER THIS SUBSECTION EXCEEDS THE
9 LIABILITY OF THE QUALIFIED TAXPAYER FOR THE TAX YEAR, THE QUALIFIED

1 TAXPAYER MAY ELECT TO HAVE THAT PORTION THAT EXCEEDS THE TAX
2 LIABILITY OF THE QUALIFIED TAXPAYER REFUNDED OR TO HAVE THE EXCESS
3 CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT YEARS FOR 10
4 YEARS OR UNTIL IT IS USED UP, WHICHEVER OCCURS FIRST.

5 (3) AS USED IN THIS SECTION:

6 (A) "FULL-TIME JOB" MEANS A JOB PERFORMED BY AN INDIVIDUAL FOR
7 35 HOURS OR MORE EACH WEEK AND WHOSE INCOME AND SOCIAL SECURITY
8 TAXES ARE WITHHELD BY 1 OR MORE OF THE FOLLOWING:

9 (i) A QUALIFIED TAXPAYER.

10 (ii) AN EMPLOYEE LEASING COMPANY ON BEHALF OF A QUALIFIED
11 TAXPAYER.

12 (iii) A PROFESSIONAL EMPLOYER ORGANIZATION ON BEHALF OF A
13 QUALIFIED TAXPAYER.

14 (B) "QUALIFIED EMPLOYEE" MEANS AN INDIVIDUAL WHO IS HIRED BY A
15 QUALIFIED TAXPAYER AFTER DECEMBER 31, 2009 AND BEFORE JANUARY 1,
16 2012 AS AN EMPLOYEE IN A FULL-TIME JOB FOR A QUALIFIED SMALL
17 BUSINESS IN THIS STATE.

18 (C) "QUALIFIED SMALL BUSINESS" MEANS A BUSINESS THAT MEETS
19 BOTH OF THE FOLLOWING CRITERIA:

20 (i) HAS GROSS RECEIPTS THAT DO NOT EXCEED \$30,000,000.00.

21 (ii) HAS A BUSINESS INCOME THAT DOES NOT EXCEED \$10,000,000.00.

22 (D) "QUALIFIED TAXPAYER" MEANS A TAXPAYER THAT IS A QUALIFIED
23 SMALL BUSINESS.