

SENATE BILL No. 1394

June 16, 2010, Introduced by Senator GILBERT and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 279.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 279. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2010
2 AND END BEFORE JANUARY 1, 2016, A TAXPAYER THAT RESIDES WITHIN A 1-
3 MILE RADIUS OF A QUALIFIED CONSTRUCTION PROJECT MAY CLAIM A CREDIT
4 AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO THE DIFFERENCE BETWEEN
5 THE TRUE CASH VALUE OF THE TAXPAYER'S PRINCIPAL RESIDENCE BEFORE
6 THE COMMENCEMENT OF THE QUALIFIED CONSTRUCTION PROJECT AND THE TRUE
7 CASH VALUE OF THE TAXPAYER'S PRINCIPAL RESIDENCE FOR THE TAX YEAR
8 IN WHICH THE CREDIT UNDER THIS SECTION IS CLAIMED.

9 (2) FOR PURPOSES OF THIS SECTION, THE TAXPAYER HAS THE BURDEN
10 OF PROOF IN ESTABLISHING THE TRUE CASH VALUE OF HIS OR HER

1 PRINCIPAL RESIDENCE FOR THE TAX YEAR IN WHICH THE CREDIT IS SOUGHT
2 AND IN ESTABLISHING THAT, OTHER THAN THE COMMENCEMENT OF AND THE
3 ONGOING CONSTRUCTION RELATED TO THE QUALIFIED CONSTRUCTION PROJECT,
4 NO OTHER FACTORS EXIST THAT CAN BE ATTRIBUTED TO THE DECREASE IN
5 THE TRUE CASH VALUE OF THE TAXPAYER'S PRINCIPAL RESIDENCE.

6 (3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
7 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
8 EXCESS SHALL BE REFUNDED.

9 (4) AS USED IN THIS SECTION:

10 (A) "QUALIFIED CONSTRUCTION PROJECT" MEANS A STATE
11 CONSTRUCTION PROJECT THAT HAS BEEN APPROVED BY THE FEDERAL
12 GOVERNMENT FOR THE EXPANSION OF A UNITED STATES PORT OF ENTRY IN
13 THIS STATE WHICH INCLUDES A NEW BRIDGE PLAZA AND IMPROVEMENTS TO
14 ADJACENT ROADS.

15 (B) "TRUE CASH VALUE" MEANS THAT TERM AS DEFINED IN SECTION 27
16 OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.27.