

HOUSE BILL NO. 4775

May 04, 2021, Introduced by Reps. Scott, Aiyash, Cavanagh, Young, Thanedar, Brenda Carter and Yancey and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding section 279.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 279. (1) For the 2020 and 2021 tax years only, a taxpayer
2 who was a frontline worker may claim a credit against the tax
3 imposed under this part of \$500.00 for a single return or a joint
4 return if only 1 spouse was a frontline worker or \$1,000.00 for a
5 joint return if both spouses were frontline workers.

(2) The department shall prescribe the form and manner in which a taxpayer shall claim a credit under this section. The department may require reasonable proof from the taxpayer to verify his or her employment as a frontline worker.

(3) If the credit allowed by this section exceeds the tax liability of the taxpayer for the tax year, that portion of the credit that exceeds the tax liability of the taxpayer for the tax year must be refunded.

(4) As used in this section:

(a) "Essential industry" means any of the following industries:

(i) Chemical supply chains and safety. Employees critical to the continued production, operation, maintenance, distribution, and safe transport of chemical and raw basic chemical materials and industrial gas supplies, protective cleaning and medical solution supplies, and industrial and consumer goods, including, but not limited to, employees of a chemical plant, laboratory, or distribution facility.

(ii) Communications and information technology, including news media. Employees critical to the continued infrastructure development, installation, maintenance, and operation of communication systems, including, but not limited to, employees of the news media, telecom companies, command centers, client service centers, or distribution facilities.

(iii) Critical manufacturing. Employees critical to the manufacturing of critical materials and products that support other essential industries, including, but not limited to, employees of manufacturing or processing plants.

(iv) Defense industrial base. Employees critical to the

1 continued research and development, design, production, delivery,
2 and maintenance of military weapons systems, subsystems, and
3 components or parts to meet U.S. military requirements, including,
4 but not limited to, sanitary workers and maintenance staff,
5 security staff and personnel, and employees of defense contractors
6 or information technology companies.

7 (v) Energy. Employees critical to the continued development,
8 maintenance, safe transport, and delivery of the state's energy
9 supply and infrastructure, including necessary equipment and
10 supplies, including, but not limited to, employees of mining
11 companies, production facilities or power plants, distribution
12 facilities, or on- or off-shore drilling or renewable energy
13 companies.

14 (vi) Financial services. Employees critical to the continued
15 provision, processing, verification, and recording of financial
16 transactions and services, including, but not limited to, armored
17 cash carriers, workers providing electronic point of sale support,
18 and employees of banks, nonbank financial or lending companies,
19 call centers, or accounting firms.

20 (vii) Food and agriculture. Employees critical to the continued
21 safe transport, delivery, and sale of human and animal food,
22 beverage, and agricultural supplies and products, including, but
23 not limited to, employees who fulfill remote orders for goods and
24 curbside delivery or pickup or employees of grocery stores or
25 convenience stores, restaurants, farms or ranches, diesel/ethanol
26 facilities, storage facilities, sawmills, distribution facilities,
27 or laboratories.

28 (viii) Hazardous materials.

29 (ix) Health care and public health. Employees critical to the

1 continued operation and delivery of health care and public health
2 safety services, including, but not limited to, hygiene, hazardous
3 materials, and environmental health and employees of clinics,
4 hospitals, long-term care facilities, in-home care providers,
5 vendors, suppliers, or retail facilities for hygiene products and
6 medical goods, supplies, and materials, or cleaning and waste
7 management facilities.

8 (x) Law enforcement, public safety, and first responders.
9 Employees critical to the continued provision and support of
10 prevention, preparedness, response, and recovery services,
11 including, but not limited to, employees of police or fire
12 stations, prisons, security companies, distribution facilities
13 developing or supplying safety equipment or uniforms for all public
14 safety personnel, or vendors or suppliers who maintain and provide
15 services and supplies to public safety facilities.

16 (xi) Other community-based government operations and essential
17 functions. Employees critical to the continued function of local
18 and state government operations, including, but not limited to,
19 maintenance and safety inspection personnel and employees of local
20 government, state government, public education, including K-12 and
21 higher education, zoos or aquariums, or permitting, licensing, or
22 credentialing offices for frontline workers and their operations.

23 (xii) Public works. Employees critical to the continued
24 operation, construction, maintenance, or rehabilitation of critical
25 infrastructure, including, but not limited to, employees of
26 landfill operations, dam engineering or inspection companies,
27 construction companies, structural and bridge inspection companies,
28 or maintenance companies.

29 (xiii) Transportation and logistics. Employees critical to the

1 continued operation and maintenance of public transportation
2 systems and personal transportation services, including, but not
3 limited to, transportation network providers and employees of
4 warehouse facilities, transit companies, transportation repair
5 shops, taxi or ride-sharing companies, driving training and
6 education centers, or towing and recovery or roadside assistance
7 companies.

8 (xiv) Water and wastewater. Employees critical to the continued
9 operation and maintenance of drinking water, wastewater, and
10 drainage infrastructure, including, but not limited to, employees
11 of wastewater treatment or collection facilities, community water
12 system companies or facilities, or water distribution and testing
13 facilities.

14 (xv) Additional critical infrastructure workers. Other
15 employees identified in Executive Order No. 2020-21 and Executive
16 Order No. 2020-70 as follows:

17 (A) Employees providing childcare for other critical
18 infrastructure workers, including workers at disaster relief
19 childcare centers.

20 (B) Employees at suppliers, distribution centers, or service
21 providers.

22 (C) Employees in the insurance industry unable to work
23 remotely.

24 (D) Employees for businesses or operations that provide
25 minimum basic needs to the economically disadvantaged or otherwise
26 needy individuals, individuals who need assistance as a result of
27 COVID-19, and people with disabilities.

28 (E) Employees critical to labor union functions unable to work
29 remotely.

1 (F) Employees at retail stores selling groceries, medical
2 supplies, and products necessary to maintain the safety,
3 sanitation, and basic operation of residences or motor vehicles,
4 including convenience stores, pet supply stores, auto supplies and
5 repair stores, hardware and home maintenance stores, and home
6 appliance retailers.

7 (G) Employees at laundromats, coin laundries, and dry
8 cleaners.

9 (H) Employees for garden stores, nurseries, lawn care, pest
10 control, and landscaping operations.

11 (I) Employees at motor vehicle dealerships or who deliver
12 motor vehicles to customers.

13 (J) Employees at hotels and motels.

14 (K) Maintenance workers and groundskeepers.

15 (L) Employees for moving or storage operations.

16 (b) "Frontline worker" means an individual who was employed in
17 an essential industry at least part-time for 11 of the 13 weeks
18 between April 1, 2020 and June 30, 2020 and was required to work
19 outside the home at least some time between April 1, 2020 and June
20 30, 2020.

21 Enacting section 1. This amendatory act is intended to be
22 retroactive and applies to tax years that begin on and after
23 January 1, 2020 through December 31, 2021.