

HOUSE BILL NO. 4387

April 24, 2025, Introduced by Reps. Roth, Borton, St. Germaine, Kelly, BeGole, Johnsen, Cavitt, Kunse, Breen, Steckloff, Liberati and VanderWall and referred to Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.847) by adding section 282.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 282. (1) For the 2025 tax year only, a qualified taxpayer
2 may claim a credit against the tax imposed under this part in an
3 amount equal to all qualified expenses incurred during the tax year
4 to clean up, repair, restore, or rebuild the qualified taxpayer's
5 home, property, or business located within the emergency area of

1 the qualified declaration, or \$5,000.00, whichever is less. To be
2 eligible for the credit under this section, the qualified taxpayer
3 in a form as prescribed by the department shall provide reasonable
4 proof in support of qualified expenses for which a credit is
5 claimed under this section. The form must include, at a minimum,
6 all of the following:

7 (a) The taxpayer's federal employer identification number or
8 the Michigan treasury number assigned.

9 (b) The taxpayer's address within the emergency area affected
10 by the winter weather and ice accumulation.

11 (c) A description of how the taxpayer was affected by the
12 winter weather and ice accumulation.

13 (2) For a taxpayer who is a member of a flow-through entity
14 that qualifies for the credit under this section, that taxpayer may
15 claim a credit against the member's tax liability under this part
16 based on the member's distributive share of business income
17 reported from that flow-through entity or an alternative method
18 approved by the department.

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

22 (4) As used in this section:

23 (a) "Qualified declaration" means the state of emergency
24 declared by the governor on March 31, 2025 and updated on April 2,
25 2025, under the emergency management act, 1976 PA 390, MCL 30.401
26 to 30.421, for the severe winter weather and ice storm that began
27 on March 28, 2025.

28 (b) "Qualified expenses" means those expenses directly
29 attributable to the widespread power outages, impassable roads,

1 loss of telephone and cellular services, and damages to homes,
2 property, and businesses as a result of the severe winter weather
3 and ice storm for which a qualified declaration was declared.
4 Qualified expenses include, but are not limited to, the purchase of
5 generators, chainsaws, and building materials needed to clean up,
6 repair, restore, or rebuild the qualified taxpayer's home,
7 property, or business.

8 (c) "Qualified taxpayer" means a taxpayer who is a resident of
9 a county included within the emergency area of the qualified
10 declaration.