

SINGLE BUSINESS TAX ACT (EXCERPT)
Act 228 of 1975

***** 208.35j THIS SECTION IS REPEALED BY ACT 325 OF 2006 EFFECTIVE DECEMBER 31, 2007

208.35j Jobs transferred to state; tax credit; claim for taxes paid in 2009 tax year.

Sec. 35j. (1) A taxpayer that enters into an agreement under subsection (3) and that provides transferred jobs to this state may claim a credit against the tax imposed by this act equal to 100% of the property taxes paid on tangible personal property used in the performance of the transferred jobs. The credit allowed under this section shall only be available for taxes paid the first year that the taxpayer pays property taxes on that property which shall be the same tax year in which the credit under this section based on those property taxes is claimed.

(2) The credit under subsection (1) can be claimed only for taxes paid in the 2009 tax year.

(3) A taxpayer may claim the credit allowed under this section if the taxpayer enters into an agreement with the Michigan economic growth authority that states all of the following:

(a) The taxpayer will provide transferred jobs in this state.

(b) The taxpayer will locate tangible personal property that will be used in the performance of those transferred jobs in this state.

(c) The transfer of the jobs and location of the tangible personal property cannot reasonably be completed by the taxpayer before January 1, 2007.

(4) The Michigan economic growth authority shall determine if the taxpayer provides transferred jobs. If the Michigan economic growth authority determines that the taxpayer provides transferred jobs, the Michigan economic growth authority shall issue a certificate to the taxpayer that includes all of the following:

(a) The taxpayer's federal identification number.

(b) The number of transferred jobs, as determined by the Michigan economic growth authority.

(c) The taxable value of the property used in the performance of the transferred jobs as reported by the taxpayer on the property tax statement required by and filed under section 19 of the general property tax act, 1893 PA 206, MCL 211.19.

(d) A statement that the transfer of the jobs and location of the tangible personal property cannot reasonably be completed by the taxpayer before January 1, 2007.

(5) The taxpayer shall not claim a credit under this section unless the Michigan economic growth authority has issued a certificate to the taxpayer pursuant to subsection (4). The taxpayer shall attach the certificate to the annual return required under this act on which the credit under this section is claimed.

(6) If the taxpayer does not maintain the total number of jobs located in this state or, if the jobs qualify under section 35I(9)(e)(iii)(B), at the facility, in the tax year immediately preceding the tax year in which the transferred jobs were moved to this state, for 3 years after the year in which a credit under this section was claimed, the following percentage of the credit amount previously claimed under this section shall be added back to the tax liability of the taxpayer in that year:

(a) If the total number of jobs is less during the first year after the year in which the credit was claimed, 100%.

(b) If the total number of jobs is less during the second year after the year in which the credit was claimed and subdivision (a) did not apply, 67%.

(c) If the total number of jobs is less during the third year after the year in which the credit was claimed and if neither subdivision (a) nor (b) applied, 33%.

(7) Personal property taxes used to calculate a credit under this section shall not be used to calculate a credit under section 35d, 35f, 35g, or 35h.

(8) The credit allowed under this section shall be calculated after application of all other credits allowed under this act.

(9) If the credit allowed under this section exceeds the taxpayer's tax liability for the tax year, that portion of the credit that exceeds the tax liability shall be refunded.

(10) As used in this section, "facility", "property taxes", and "transferred jobs" mean those terms as defined in section 35i.

History: Add. 2005, Act 294, Imd. Eff. Dec. 20, 2005.

Compiler's note: In subsection (6), the reference to "section 35I(9)(e)(iii)(B)" evidently should read "section 35i(9)(e)(iii)(B)."