

STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004

Introduced by Senators Gilbert, Kuipers, Sikkema, Bishop, Hammerstrom, Sanborn, McManus,
Van Woerkom, Allen, Birkholz, Jelinek, Johnson, Cropsey, Garcia, Brown and Toy

ENROLLED SENATE BILL No. 875

AN ACT to amend 1990 PA 100, entitled "An act to permit the imposition, revival, and continued collection by cities of a population of 750,000 or more of a utility users tax; to provide the procedure for, and to require the adoption of a prescribed uniform city utility users tax ordinance by cities desiring to impose and collect such a tax; to limit the rate of such tax; to prescribe the powers and duties of the state commissioner of revenue; and to provide for appeals," by amending section 5 of chapter 1 (MCL 141.1155), as amended by 1998 PA 241.

The People of the State of Michigan enact:

CHAPTER 1

Sec. 5. (1) The uniform city utility users tax ordinance does not apply to a person or corporation as to whom or which it is beyond the power of the city to impose the tax provided for in the uniform city utility users tax ordinance.

(2) For tax years beginning after December 31, 1996, a person or corporation, except a casino, is exempt from the tax imposed under this ordinance for public utility services provided in a renaissance zone to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696. As used in this subsection, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.216.

(3) For tax years beginning after December 31, 2004, a qualified start-up business is exempt from the tax imposed under this ordinance for the 5 consecutive tax years that begin with the first tax year in which the qualified start-up business claims a credit under section 31a of the single business tax act, 1975 PA 228, MCL 208.31a, or section 51f of the income tax act of 1967, 1967 PA 281, MCL 206.51f. As used in this subsection, "qualified start-up business" means that term as defined in section 31a of the single business tax act, 1975 PA 228, MCL 208.31a.

(4) A qualified start-up business may claim the exemption under subsection (3) by filing an exemption affidavit claiming the exemption with the treasurer of the city that imposes the tax under this ordinance on a form prescribed by the city. The exemption affidavit shall be filed within 60 days of the date on which a qualified start-up business became exempt under subsection (3).

(5) The exemption under subsection (3) is effective for a city that imposes the tax provided for in the city utility users tax ordinance that, not more than 90 days after the effective date of the amendatory act that added this subsection, adopts a resolution to include subsections (3) and (4) in its city utility users tax ordinance.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 5331 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor