

# SENATE BILL No. 1171

March 4, 2008, Introduced by Senators GARCIA, ALLEN, VAN WOERKOM, KUIPERS, STAMAS, BROWN, GILBERT, JANSEN, HARDIMAN, BIRKHOLZ, McMANUS, PAPPAGEORGE, RICHARDVILLE, JELINEK, KAHN, GEORGE, CHERRY, JACOBS, WHITMER, PRUSI, GLEASON, BARCIA, THOMAS, ANDERSON, SCHAUER, CLARKE and HUNTER and referred to the Committee on Commerce and Tourism.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 367.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 367. (1) AN ELIGIBLE PRODUCTION COMPANY MAY CLAIM A  
2 CREDIT FOR A STATE CERTIFIED QUALIFIED PRODUCTION AGAINST THE TAX  
3 DEDUCTED AND WITHHELD UNDER THIS CHAPTER EQUAL TO THE AMOUNT OF THE  
4 CREDIT THE ELIGIBLE PRODUCTION COMPANY IS ELIGIBLE TO CLAIM FOR THE  
5 STATE CERTIFIED QUALIFIED PRODUCTION UNDER SECTION 455 OF THE  
6 MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455. AN ELIGIBLE  
7 PRODUCTION COMPANY SHALL NOT CLAIM A CREDIT UNDER THIS SECTION FOR  
8 ANY OF THE FOLLOWING:

9        (A) A CREDIT OR PORTION OF A CREDIT THE ELIGIBLE PRODUCTION  
10 COMPANY CLAIMS UNDER SECTION 455 OF THE MICHIGAN BUSINESS TAX ACT,

1 2007 PA 36, MCL 208.1455.

2 (B) A CREDIT OR PORTION OF A CREDIT THAT ANOTHER TAXPAYER  
3 CLAIMS UNDER THIS SECTION OR UNDER SECTION 455 OF THE MICHIGAN  
4 BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455.

5 (2) THE CREDIT ALLOWED UNDER THIS SECTION SHALL NOT EXCEED THE  
6 TAX LIABILITY OF THE ELIGIBLE PRODUCTION COMPANY UNDER THIS ACT FOR  
7 THE TAX YEAR. THE CREDIT UNDER THIS SECTION SHALL BE CLAIMED AFTER  
8 ALL OTHER CREDITS UNDER THIS ACT.

9 (3) THE AMOUNT OF THE CREDIT UNDER THIS SECTION SHALL BE  
10 REDUCED BY A CREDIT APPLICATION AND REDEMPTION FEE EQUAL TO 0.5% OF  
11 THE CREDIT CLAIMED, WHICH SHALL BE PAID BY THE TAXPAYER CLAIMING  
12 THE CREDIT AND BE DEPOSITED BY THE DEPARTMENT IN THE MICHIGAN FILM  
13 PROMOTION FUND.

14 (4) AS USED IN THIS SECTION, "ELIGIBLE PRODUCTION COMPANY",  
15 "MICHIGAN FILM PROMOTION FUND", AND "STATE CERTIFIED QUALIFIED  
16 PRODUCTION" MEAN THOSE TERMS AS DEFINED UNDER SECTION 455 OF THE  
17 MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455.