

# HOUSE BILL No. 6110

May 4, 2010, Introduced by Reps. Rogers, Amash, McMillin, Agema, DeShazor, Haveman, Paul Scott, Green, Meekhof, Meltzer, Walsh, Daley, Crawford, Lund, Kowall and Booher and referred to the Committee on Tax Policy.

A bill to amend 2007 PA 36, entitled  
"Michigan business tax act,"  
by amending section 419 (MCL 208.1419).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 419. (1) For tax years that begin after December 31, 2008  
2       **AND BEFORE JANUARY 1, 2011**, a taxpayer that has been issued a tax  
3       voucher certificate under section 23 of the Michigan early stage  
4       venture investment act of 2003, 2003 PA 296, MCL 125.2253, or any  
5       taxpayer to which all or a portion of a tax voucher is transferred  
6       pursuant to the Michigan early stage venture investment act of  
7       2003, 2003 PA 296, MCL 125.2231 to 125.2263, may use the tax  
8       voucher to pay a liability of the taxpayer due under this act.  
9       (2) The total amount of all tax voucher certificates that

1 shall be approved under this section, section 37e of former 1975 PA  
2 228, and the Michigan early stage venture investment act of 2003,  
3 2003 PA 296, MCL 125.2231 to 125.2263, shall not exceed an amount  
4 sufficient to allow the Michigan early stage venture investment  
5 corporation to raise \$450,000,000.00 for the purposes authorized  
6 under the Michigan early stage venture investment act of 2003, 2003  
7 PA 296, MCL 125.2231 to 125.2263. The total amount of all tax  
8 voucher certificates under this section and section 37e of former  
9 1975 PA 228 shall not exceed \$600,000,000.00.

10 (3) The department shall not approve a tax voucher certificate  
11 under section 23(2) of the Michigan early stage venture investment  
12 act of 2003, 2003 PA 296, MCL 125.2253, after December 31, ~~2015~~  
13 **2010**.

14 (4) For tax voucher certificates approved under subsection  
15 (2), the amount of tax voucher certificates approved by the  
16 department for use in any tax year shall not exceed 25% of the  
17 total amount of all tax voucher certificates approved by the  
18 department.

19 (5) Investors shall apply to the Michigan early stage venture  
20 investment corporation for approval of tax voucher certificates at  
21 the time and in the manner required under the Michigan early stage  
22 venture investment act of 2003, 2003 PA 296, MCL 125.2231 to  
23 125.2263.

24 (6) The Michigan early stage venture investment corporation  
25 shall determine which investors are eligible for tax vouchers and  
26 the amount of the tax vouchers allowed to each investor as provided  
27 in the Michigan early stage venture investment act of 2003, 2003 PA

1 296, MCL 125.2231 to 125.2263.

2 (7) The tax voucher certificate, and any completed transfer  
3 form that was issued pursuant to the Michigan early stage venture  
4 investment act of 2003, 2003 PA 296, MCL 125.2231 to 125.2263,  
5 shall be attached to the taxpayer's annual return under this act.  
6 The department may prescribe and implement alternative methods of  
7 reporting and recording ownership, transfer, and utilization of tax  
8 voucher certificates that are not inconsistent with this act.

9 (8) A tax voucher shall be used to pay a liability of the  
10 taxpayer due under this act only in a tax year that begins after  
11 December 31, 2008. The amount of the tax voucher that may be used  
12 to pay a liability of the taxpayer due under this act in any tax  
13 year shall not exceed the lesser of the following:

14 (a) The amount of the tax voucher stated on the tax voucher  
15 certificate held by the taxpayer.

16 (b) The amount authorized to be used in the tax year under the  
17 terms of the tax voucher certificate.

18 (c) The taxpayer's liability due under this act for the tax  
19 year for which the tax voucher is to be applied.

20 (9) The department shall administer transfers of tax voucher  
21 certificates or the transfer of the right to be issued and receive  
22 a tax voucher certificate as provided in the Michigan early stage  
23 venture investment act of 2003, 2003 PA 296, MCL 125.2231 to  
24 125.2263, and shall take any action necessary to enforce and  
25 effectuate the permissible issuance and use of tax voucher  
26 certificates in a manner authorized under this section and the  
27 Michigan early stage venture investment act of 2003, 2003 PA 296,

1 MCL 125.2231 to 125.2263.

2 (10) If the amount of a tax voucher certificate held by a  
3 taxpayer or transferee exceeds the amount the taxpayer or  
4 transferee may use under subsection (8)(b) or (c) in a tax year,  
5 that excess may be used by the taxpayer or transferee to pay,  
6 subject to the limitations of subsection (8), any future liability  
7 of the taxpayer or transferee under this act.

8 (11) If a taxpayer requests, the department shall issue  
9 separate replacement tax voucher certificates, or replacement  
10 approval letters, evidencing the right of the holder to be issued  
11 and receive a tax voucher certificate in an aggregate amount equal  
12 to the amount of a tax voucher certificate or an approval letter  
13 presented by a taxpayer. Replacement tax voucher certificates may  
14 be used, and replacement approval letters may be issued, to  
15 evidence the right to be issued and receive a tax voucher  
16 certificate that will be used for 1 or more of the following  
17 purposes:

18 (a) To pay any liability of the taxpayer under this act to the  
19 extent permitted in any tax year by subsection (8).

20 (b) To pay any liability of the taxpayer under and to the  
21 extent allowed under section 270 of the income tax act of 1967,  
22 1967 PA 281, MCL 206.270.

23 (c) To be transferred to a taxpayer that may use the  
24 replacement tax voucher certificate to pay any liability under this  
25 act to the extent allowed under subsection (8).

26 (d) To be transferred to a taxpayer that may use the tax  
27 voucher certificate to pay any liability under and to the extent

1 allowed under section 270 of the income tax act of 1967, 1967 PA  
2 281, MCL 206.270.

3 (12) As used in this section:

4 (a) "Investor" means that term as defined in the Michigan  
5 early stage venture investment act of 2003, 2003 PA 296, MCL  
6 125.2231 to 125.2263.

7 (b) "Certificate" means the certificate issued under section  
8 23 of the Michigan early stage venture investment act of 2003, 2003  
9 PA 296, MCL 125.2253.

10 (c) "Transferee" means a taxpayer to whom a tax voucher  
11 certificate has been transferred under section 23 of the Michigan  
12 early stage venture investment act of 2003, 2003 PA 296, MCL  
13 125.2253, and this section.

14 Enacting section 1. This amendatory act does not take effect  
15 unless all of the following bills of the 95th Legislature are  
16 enacted into law:

17 (a) House Bill No. 5249.

18 (b) Senate Bill No.\_\_\_\_ or House Bill No. 6104(request no.  
19 04275'09).

20 (c) Senate Bill No.\_\_\_\_ or House Bill No. 6103(request no.  
21 05669'09).

22 (d) Senate Bill No.\_\_\_\_ or House Bill No. 6105(request no.  
23 05670'09).

24 (e) Senate Bill No.\_\_\_\_ or House Bill No. 6106(request no.  
25 05671'09).

26 (f) Senate Bill No.\_\_\_\_ or House Bill No. 6107(request no.  
27 05672'09).

1 (g) Senate Bill No.\_\_\_\_ or House Bill No. 6112(request no.  
2 05673'09).

3 (h) Senate Bill No.\_\_\_\_ or House Bill No. 6113(request no.  
4 05675'09\*).

5 (i) Senate Bill No.\_\_\_\_ or House Bill No. 6109(request no.  
6 05676'09).

7 (j) Senate Bill No.\_\_\_\_ or House Bill No. 6116(request no.  
8 05678'09).

9 (k) Senate Bill No.\_\_\_\_ or House Bill No. 6114(request no.  
10 05679'09).

11 (l) Senate Bill No.\_\_\_\_ or House Bill No. 6117(request no.  
12 05680'09).

13 (m) Senate Bill No.\_\_\_\_ or House Bill No. 6108(request no.  
14 05681'09).

15 (n) Senate Bill No.\_\_\_\_ or House Bill No. 6119(request no.  
16 05930'10).

17 (o) Senate Bill No.\_\_\_\_ or House Bill No. 6111(request no.  
18 05931'10).

19 (p) Senate Bill No.\_\_\_\_ or House Bill No. 6115(request no.  
20 05932'10).

21 (q) Senate Bill No.\_\_\_\_ or House Bill No. 6118(request no.  
22 05933'10).