

HOUSE BILL No. 5593

May 3, 2012, Introduced by Rep. Horn and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding section 675.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 675. (1) EXCEPT AS OTHERWISE PROVIDED UNDER THIS SECTION,
2 A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS PART
3 IN AN AMOUNT EQUAL TO 40% OF THE VALUE OF THE SALARIES, WAGES, OR
4 OTHER REMUNERATION FOR SERVICES PAID TO A QUALIFIED INTERN OR
5 \$600.00 OF THE SALARIES, WAGES, OR OTHER REMUNERATION FOR SERVICES
6 PAID TO A QUALIFIED INTERN, WHICHEVER IS LESS. NOTWITHSTANDING THE
7 LIMITATION UNDER THIS SUBSECTION, THE MAXIMUM CREDIT ALLOWED UNDER
8 THIS SECTION SHALL BE INCREASED BY \$75.00 PER QUALIFIED INTERN FOR
9 A TAXPAYER THAT EMPLOYS 3 OR MORE QUALIFIED INTERNS DURING THE TAX
10 YEAR.

11 (2) EXCEPT AS OTHERWISE PROVIDED UNDER THIS SUBSECTION, IF THE

1 CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR AND ANY UNUSED
2 CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS SECTION EXCEED THE
3 TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION THAT
4 EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED
5 BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT
6 TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER OCCURS FIRST.

7 (3) AS USED IN THIS SECTION:

8 (A) "STATE INSTITUTION OF HIGHER EDUCATION" MEANS A PUBLIC
9 COMMUNITY OR JUNIOR COLLEGE ESTABLISHED UNDER SECTION 7 OF ARTICLE
10 VIII OF THE STATE CONSTITUTION OF 1963 OR PART 25 OF THE REVISED
11 SCHOOL CODE, 1976 PA 451, MCL 380.1601 TO 380.1607, OR A STATE
12 UNIVERSITY DESCRIBED IN SECTION 4, 5, OR 6 OF ARTICLE VIII OF THE
13 STATE CONSTITUTION OF 1963.

14 (B) "QUALIFIED INTERN" MEANS AN INDIVIDUAL ENROLLED AND IN
15 GOOD STANDING AT A VOCATIONAL SCHOOL OR A STATE INSTITUTION OF
16 HIGHER EDUCATION WHO IS EMPLOYED AND SUPERVISED IN THIS STATE IN A
17 POSITION THAT PROVIDES TRAINING AND EXPERIENCE TO THE INDIVIDUAL IN
18 HIS OR HER CHOSEN FIELD OF STUDY, AND IS PAID AT LEAST THE MINIMUM
19 WAGE ESTABLISHED BY LAW AT THE TIME OF EMPLOYMENT BY THE TAXPAYER
20 DURING A TERM OF EMPLOYMENT THAT LASTS AT LEAST 6 WEEKS AND
21 INCLUDES A MINIMUM OF 14 HOURS OF SERVICE PER WEEK.