

HOUSE BILL No. 4485

March 23, 2011, Introduced by Reps. Switalski and Oakes 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 206.532) by adding section 283.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 283. (1) FOR THE 2011 TAX YEAR AND EACH TAX YEAR AFTER
2 2011, A TAXPAYER THAT PURCHASES AN ELIGIBLE GREEN RESIDENTIAL
3 STRUCTURE MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT
4 EQUAL TO \$5,000.00 PER ELIGIBLE GREEN RESIDENTIAL STRUCTURE. A
5 TAXPAYER THAT INVESTS IN AN ELIGIBLE RENOVATION OR ADDITION TO HIS
6 OR HER PRINCIPAL RESIDENCE MAY CLAIM A CREDIT AGAINST THE TAX
7 IMPOSED BY THIS ACT EQUAL TO 30% OF THE COSTS INCURRED FOR THE
8 ELIGIBLE RENOVATION OR ADDITION OR \$2,000.00, WHICHEVER IS LESS. A
9 TAXPAYER SHALL NOT CLAIM A CREDIT UNDER THIS SECTION UNLESS A
10 CERTIFICATE HAS BEEN ISSUED TO THE TAXPAYER FOR THE GREEN

1 RESIDENTIAL STRUCTURE OR THE RENOVATION OR ADDITION AS DESCRIBED
2 UNDER SUBSECTION (2). THE TAXPAYER SHALL ATTACH THE CERTIFICATE TO
3 THE ANNUAL RETURN FILED UNDER THIS ACT ON WHICH THE CREDIT UNDER
4 THIS SECTION IS CLAIMED.

5 (2) THE CERTIFICATE REQUIRED UNDER SUBSECTION (1) SHALL BE
6 ISSUED BY 1 OF THE FOLLOWING AND SHALL STATE, AT A MINIMUM, THAT
7 THE GREEN RESIDENTIAL STRUCTURE OR THE RENOVATION OR ADDITION MEETS
8 OR EXCEEDS THE FOLLOWING STANDARDS OF THAT CERTIFYING BODY:

9 (A) FOR A CERTIFICATE ISSUED BY GREEN BUILT MICHIGAN, THE
10 GREEN RESIDENTIAL STRUCTURE OR RENOVATION OR ADDITION, WHICHEVER IS
11 APPLICABLE, MEETS OR EXCEEDS THE SILVER CERTIFICATION STANDARDS
12 ESTABLISHED UNDER THE GREEN BUILT MICHIGAN PROGRAM AND IN EFFECT AT
13 THE TIME OF THE CONSTRUCTION OR RENOVATION.

14 (B) FOR A CERTIFICATE ISSUED UNDER THE NATIONAL GREEN BUILDING
15 PROGRAM, THE GREEN RESIDENTIAL STRUCTURE OR RENOVATION OR ADDITION,
16 WHICHEVER IS APPLICABLE, MEETS OR EXCEEDS THE SILVER CERTIFICATION
17 STANDARDS ESTABLISHED UNDER THE NATIONAL GREEN BUILDING PROGRAM AND
18 IN EFFECT AT THE TIME OF THE CONSTRUCTION OR RENOVATION.

19 (C) FOR A CERTIFICATE ISSUED BY ANY OTHER RECOGNIZED DOMESTIC
20 OR INTERNATIONAL ORGANIZATION THAT IS APPROVED BY THE DEPARTMENT OF
21 LABOR AND ECONOMIC GROWTH, THE GREEN RESIDENTIAL STRUCTURE OR
22 RENOVATION OR ADDITION, WHICHEVER IS APPLICABLE, MEETS OR EXCEEDS
23 CERTIFICATION STANDARDS ESTABLISHED BY THAT DOMESTIC OR
24 INTERNATIONAL ORGANIZATION THAT ARE, AT A MINIMUM, COMPARABLE TO
25 THE SILVER CERTIFICATION STANDARDS ESTABLISHED UNDER THE GREEN
26 BUILT MICHIGAN PROGRAM OR THE NATIONAL GREEN BUILDING PROGRAM.

27 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR

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

7 (4) A TAXPAYER THAT CLAIMS A CREDIT UNDER THIS SECTION IS NOT
8 PROHIBITED FROM CLAIMING A CREDIT UNDER SECTION 253. HOWEVER, THE
9 TAXPAYER SHALL NOT CLAIM A CREDIT UNDER THIS SECTION AND SECTION
10 253 BASED ON THE SAME COSTS AND EXPENSES.

11 (5) AS USED IN THIS SECTION:

12 (A) "ELIGIBLE GREEN RESIDENTIAL STRUCTURE" MEANS A NEWLY
13 CONSTRUCTED RESIDENTIAL STRUCTURE THAT IS LOCATED IN THIS STATE,
14 THAT IS CONSTRUCTED BY A PERSON LICENSED UNDER ARTICLE 24 OF THE
15 OCCUPATIONAL CODE, 1980 PA 299, MCL 339.2401 TO 339.2412, THAT WAS
16 ISSUED A BUILDING PERMIT AS REQUIRED UNDER THE STILLE-DEROSSETT-
17 HALE SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1501
18 TO 125.1531, THAT IS CERTIFIED IN ACCORDANCE WITH SUBSECTION (2),
19 AND THAT IS COMPLETED DURING THE TAX YEAR FOR WHICH A CREDIT IS
20 SOUGHT UNDER THIS SECTION.

21 (B) "ELIGIBLE RENOVATION OR ADDITION" MEANS A RENOVATION OR
22 ADDITION MADE TO AN EXISTING RESIDENTIAL STRUCTURE THAT IS LOCATED
23 IN THIS STATE, THAT IS RENOVATED OR CONDUCTED BY A PERSON LICENSED
24 UNDER ARTICLE 24 OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL
25 339.2401 TO 339.2412, THAT WAS ISSUED A BUILDING PERMIT FOR THE
26 RENOVATION OR ADDITION AS REQUIRED UNDER THE STILLE-DEROSSETT-HALE
27 SINGLE STATE CONSTRUCTION CODE ACT, 1972 PA 230, MCL 125.1501 TO

1 125.1531, THAT IS CERTIFIED IN ACCORDANCE WITH SUBSECTION (2), AND
2 THAT IS COMPLETED DURING THE TAX YEAR FOR WHICH A CREDIT IS SOUGHT
3 UNDER THIS SECTION.

4 (C) "GREEN BUILT MICHIGAN" MEANS THE ORGANIZATION THAT
5 MEASURES AND EVALUATES THE ENVIRONMENTAL PERFORMANCE OF RESIDENTIAL
6 BUILDINGS ACCORDING TO ITS STANDARDS, THAT PROVIDES EDUCATION TO
7 BUILDING PROFESSIONALS AND HOMEOWNERS REGARDING GREEN BUILDING AND
8 REMODELING, AND THAT QUALIFIES FOR EXEMPTION FROM FEDERAL INCOME
9 TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE.

10 (D) "NATIONAL GREEN BUILDING PROGRAM" MEANS THE EDUCATION,
11 VERIFICATION, AND CERTIFICATION PROGRAM SPONSORED BY THE NATIONAL
12 ASSOCIATION OF HOME BUILDERS AND THE NATIONAL ASSOCIATION OF HOME
13 BUILDERS RESEARCH CENTER.

14 (E) "PRINCIPAL RESIDENCE" MEANS THAT TERM AS DEFINED UNDER
15 SECTION 7DD OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL
16 211.7DD.

17 (F) "RESIDENTIAL STRUCTURE" MEANS ANY 1- AND 2-FAMILY
18 DWELLING, TOWNHOUSE, OR ACCESSORY STRUCTURE THAT IS REGULATED BY
19 THE MICHIGAN RESIDENTIAL CODE PROMULGATED PURSUANT TO THE STILLE-
20 DEROSSETT-HALE SINGLE CONSTRUCTION CODE ACT, 1972 PA 230, MCL
21 125.1501 TO 125.1531.