



SENATE BILL No. 1096

September 21, 2016, Introduced by Senators ANANICH, BIEDA, YOUNG, GREGORY, HERTEL, HOPGOOD and HOOD and referred to the Committee on Commerce.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding section 402.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 402. NOTWITHSTANDING ANY OTHER PROVISION UNDER THIS**
2 **CHAPTER, BEGINNING AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT**
3 **THAT ADDED THIS SECTION EACH WRITTEN AGREEMENT OR AMENDMENTS TO A**
4 **WRITTEN AGREEMENT REQUIRED FOR A TAX CREDIT UNDER THIS CHAPTER**
5 **SHALL INCLUDE BOTH OF THE FOLLOWING:**

6 **(A) A PENALTY PROVISION IN THE EVENT THE TAXPAYER RELOCATES**
7 **OUTSIDE OF THIS STATE DURING THE TERMS OF THE WRITTEN AGREEMENT OR**
8 **SUBSEQUENTLY FAILS TO MEET THE REQUIREMENTS OF THE AGREEMENT OR ANY**
9 **OTHER CONDITIONS INCLUDED IN THE AGREEMENT. THE PENALTY PROVISION**
10 **SHALL PROVIDE THAT THE TAXPAYER SHALL HAVE AN AMOUNT EQUAL TO THE**

1 TOTAL AMOUNT OF THE CREDIT RECEIVED BY THE TAXPAYER UNDER THE
2 AGREEMENT ADDED BACK TO THE TAX LIABILITY OF THE TAXPAYER IN THE
3 TAX YEAR THAT THE TAXPAYER RELOCATES OUTSIDE OF THIS STATE OR FAILS
4 TO COMPLY WITH THE AGREEMENT.

5 (B) A PROVISION THAT THE TAXPAYER CONSENTS TO THE JURISDICTION
6 OF THE COURTS OF THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF A
7 PENALTY DESCRIBED IN THIS SECTION.