

HOUSE STANDING COMMITTEE ON TAX POLICY

Room 519 House Office Building Wednesday 10:30 a.m. April 27, 2011

Representative Jud Gilbert, Chair, called the meeting to order.

Representative Gilbert requested attendance be called to establish a quorum of the appointed committee members:

Present: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson, Ouimet, Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs.

Absent/Excused: None.

Representative Walsh moved to approve the minutes of the meeting held at 3 p.m. on April 26, 2011.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 4361, HB 4362, HB 4479, HB 4480, HB 4481, HB 4482, HB 4483 and HB 4484 before the committee.

HB 4361	Gilbert	Income tax; rate; general revisions and implementation of a corporate income tax; provide for.
HB 4362	Gilbert	Michigan business tax; replacement; option to claim certain certificated credits after enactment of a corporate income tax act; provide for.
HB 4479	Gilbert	Taxation; other; multistate tax compact; modify.
HB 4480	Gilbert	Retirement; state employees; tax exemption for pensions; eliminate.
HB 4481	Gilbert	Retirement; public school employees; tax exemption for pensions; eliminate.
HB 4482	Gilbert	Retirement; legislative; tax exemption for pensions; eliminate.

HB 4483 Gilbert Retirement; other; tax exemption for pensions of city library employees; eliminate.

HB 4484 Gilbert Retirement; judges; tax exemption for pensions; eliminate.

The following submitted a testimony card indicating support for HB 4361, HB 4362, HB 4479, HB 4480, HB 4481, HB 4482, HB 4483 and HB 4481 but did not wish to speak.

David Worthams, representing the Michigan Bankers Association

The following submitted testimony cards indicating opposition to HB 4361, HB 4362, HB 4479, HB 4480, HB 4481, HB 4482, HB 4483 and HB 4481 but did not wish to speak.

Nick Ciaramitaro, representing AFSCMF Council # 25
Michael Keller, representing AFL-CIO

The Chair, Representative Gilbert, placed the committee at ease the time being 10:40 a.m.

The Chair, Representative Gilbert, called the meeting back to order at 10:47 a.m.

Representative Lyons moved to adopt substitute (H-1) for HB 4361.

The motion prevailed by a vote of 9-0-7.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: None,

Pass: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs.

Representative Meadows offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 6, line 22, after "income" by striking out the balance of the line through "(9)" on line 23.
2. Amend page 29, line 5, by striking out all of subsection (9).

Representative Meadows moved to adopt the amendments.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Cavanagh offered the following amendment to HB 4361 substitute (H-1):

1. Amend page 59, line 1, by striking out all of section 272.

Representative Cavanagh moved to adopt the amendment.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Cavanagh offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 59, line 1, by striking out all of section 272 and inserting:

"Sec. 272. (1) For the following tax years that begin after December 31, 2007, a taxpayer may credit against the tax imposed by this act an amount equal to the specified percentages of the credit the taxpayer is allowed to claim as a credit under section 32 of the internal revenue code for a tax year on a return filed under this act for the same tax year:

(a) For tax years that begin after December 31, 2007 and before January 1, 2009, 10%.

(b) For tax years that begin after December 31, 2008 **AND BEFORE JANUARY 1, 2012**, 20%.

(C) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2011, 10%.

(2) If the credit allowed by this section exceeds the tax liability of the taxpayer for the tax year, the state treasurer shall refund the excess to the taxpayer without interest, except as provided in section 30 of 1941 PA 122, MCL 205.30."

Representative Cavanagh moved to adopt the amendments.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Constan offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 183, line 21, after "257," by striking out "260,".
2. Amend page 183, line 25, by striking out "206.260,"

Representative Constan moved to adopt the amendments.

The motion did not prevail by a vote of 7-9-1.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, Olson and Ouimet,

Pass: Representative O'Brien.

Representative Hobbs offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 183, line 21, after "260," by striking out "261,".
2. Amend page 183, line 25, after "206.260," by striking out "206.261,".

Representative Hobbs moved to adopt the amendments.

The motion did not prevail by a vote of 7-9-1.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, Olson and Ouimet,

Pass: Representative O'Brien.

Representative Townsend offered the following amendment to HB 4361 substitute (H-1):

1. Amend page 177, following line 12, by inserting:

"Sec. 680a. (1) Subject to the criteria under this section, a qualified taxpayer may claim a credit against the tax imposed by this part as provided in this section.

(2) If the cost of a project will be \$2,000,000.00 or less, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the project under this subsection. An application under this subsection shall state whether the project is a multiphase project. Subject to the limitation provided under this section, the chairperson of the Michigan economic growth authority or his or her designee is authorized to approve an application or project under this subsection. Only the chairperson of the Michigan economic growth authority is authorized to deny an application or project under this subsection. A project shall be approved or denied not more than 45 days after receipt of the application. If the chairperson of the Michigan economic growth authority or his or her designee does not approve or deny the application within 45 days after the application is received by the Michigan economic growth authority, the application is considered approved as written. If the chairperson of the Michigan economic growth authority or his or her designee approves a project under this subsection, the chairperson of the Michigan economic growth authority or his or her designee shall issue a preapproval letter that states

that the taxpayer is a qualified taxpayer; the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection for the same project or for another project. The Michigan economic growth authority shall develop and implement the use of the application form to be used for projects under this subsection.

(3) If the cost of a project will be for more than \$2,000,000.00 but \$10,000,000.00 or less, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the project under this subsection. An application under this subsection shall state whether the project is a multiphase project. Subject to the limitation provided under this section, the chairperson of the Michigan economic growth authority or his or her designee is authorized to approve an application or project under this subsection. Only the chairperson of the Michigan economic growth authority is authorized to deny an application or project under this subsection. A project shall be approved or denied not more than 45 days after receipt of the application. If the chairperson of the Michigan economic growth authority or his or her designee does not approve or deny an application within 45 days after the application is received by the Michigan economic growth authority, the application is considered approved as written. The criteria in subsection (7) shall be used when approving projects under this subsection. When approving projects under this subsection, priority shall be given to projects on a facility. The total of all credits for an approved project under this subsection shall not exceed the amounts authorized under section 437(1)(a) of the Michigan business tax act, 2007 PA 36, MCL 208.1437. A taxpayer may apply under this subsection instead of subsection (4) for approval of a project that will be for more than \$10,000,000.00, but the total of all credits for that project shall not exceed the amounts authorized under section 437(1)(a) of the Michigan business tax act, 2007 PA 36, MCL 208.1437. If the chairperson of the Michigan economic growth authority or his or her designee approves a project under this subsection, the chairperson of the Michigan economic growth authority or his or her designee shall issue a preapproval letter that states that the taxpayer is a qualified taxpayer; the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection or subsection (4) for the same project or for another project.

(4) If the cost of a project will be for more than \$10,000,000.00 and, except as provided in this section, the project is located in a qualified local governmental unit, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the project. An application under this subsection shall state whether the project is a multiphase project. The Michigan economic growth authority shall approve or deny the project not more than 65 days after receipt of the application. A project under this subsection shall not be approved without the concurrence of the state treasurer. If the Michigan economic growth authority does not approve or deny the application within 65 days after it receives the application, the Michigan economic growth authority shall send

the application to the state treasurer. The state treasurer shall approve or deny the application within 5 days after receipt of the application. If the state treasurer does not deny the application within 5 days after receipt of the application, the application is considered approved. The Michigan economic growth authority shall approve a limited number of projects under this subsection during each calendar year as provided in subsection (6). The Michigan economic growth authority shall use the criteria in subsection (7) when approving projects under this subsection, when determining the total amount of eligible investment, and when determining the percentage of eligible investment for the project to be used to calculate a credit. The total of all credits for an approved project under this subsection shall not exceed the amount designated in the preapproval letter, as amended, for that project. If the Michigan economic growth authority approves a project under this subsection, the Michigan economic growth authority shall issue a preapproval letter that states that the taxpayer is a qualified taxpayer; the percentage of eligible investment for the project; the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. The Michigan economic growth authority shall send a copy of the preapproval letter to the department. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection or subsection (3) for the same project or for another project.

(5) If the project is on property that is functionally obsolete, the taxpayer shall include with the application an affidavit signed by a level 3 or level 4 assessor, that states that it is the assessor's expert opinion that the property is functionally obsolete and the underlying basis for that opinion.

(6) The Michigan economic growth authority may approve not more than 17 projects for each calendar year under subsection (4), and the following limitations apply:

(a) Of the projects allowed under this subsection, up to 3 projects may be approved for projects that are not in a qualified local governmental unit if the property is a facility for which eligible activities are identified in a brownfield plan or, for 1 of the 3 projects, if the property is not a facility but is functionally obsolete or blighted, property identified in a brownfield plan. For purposes of this subdivision, a facility includes a building or complex of buildings that was used by a state or federal agency and that is no longer being used for the purpose for which it was used by the state or federal agency.

(b) If the Michigan economic growth authority determines that there are previously issued credits authorized under section 434(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1434, available, the Michigan economic growth authority may approve 2 additional projects for each calendar year. As used in this subdivision, "previously issued credits" means the total amount of credits authorized by the Michigan economic growth authority for a taxpayer under section 434(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1434, that meets all of the following:

(i) The taxpayer did not use any or a portion of the credits authorized under the written agreement under section 434(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1434.

(ii) The authority determined at a meeting upon a vote of the majority of the members present that the credits previously authorized satisfy subparagraph (i).

(7) The Michigan economic growth authority shall review all applications for

projects under subsection (4) and, if an application is approved, shall determine the maximum total of all credits for that project. Before approving a project for which the total of all credits will be more than \$10,000,000.00 but \$30,000,000.00 or less only, the Michigan economic growth authority shall determine that the project would not occur in this state without the tax credit offered under subsection (4). The Michigan economic growth authority shall consider the following criteria to the extent reasonably applicable to the type of project proposed when approving a project under subsection (4), and the chairperson of the Michigan economic growth authority or his or her designee shall consider the following criteria to the extent reasonably applicable to the type of project proposed when approving a project under subsection (2) or (3) or when considering an amendment to a project under subsection (9):

- (a) The overall benefit to the public.
- (b) The extent of reuse of vacant buildings and redevelopment of blighted property.
- (c) Creation of jobs.
- (d) Whether the eligible property is in an area of high unemployment.
- (e) The level and extent of contamination alleviated by the qualified taxpayer's eligible activities to the extent known to the qualified taxpayer.
- (f) The level of private sector contribution.
- (g) The cost gap that exists between the site and a similar greenfield site as determined by the Michigan economic growth authority.
- (h) If the qualified taxpayer is moving from another location in this state, whether the move will create a brownfield.
- (i) Whether the project is financially and economically sound.
- (j) Any other criteria that the Michigan economic growth authority or the chairperson of the Michigan economic growth authority, as applicable, considers appropriate for the determination of eligibility under subsection (3) or (4).

(8) A qualified taxpayer may apply for projects under this section for eligible investment on more than 1 eligible property in a tax year. Each project approved and each project for which a certificate of completion is issued under this section shall be for eligible investment on 1 eligible property.

(9) If, after a taxpayer's project has been approved and the taxpayer has received a preapproval letter but before the taxpayer has made an eligible investment, other than soft costs, at the property, the taxpayer determines that the project cannot be completed as preapproved, the taxpayer may petition the Michigan economic growth authority to amend the project and the preapproval letter to increase the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project. A taxpayer may petition the Michigan economic growth authority to make any other amendments to the project or preapproval letter at any time before a certificate of completion is issued. Amendments to the project or preapproval letter may include, but are not limited to, extending the duration of time provided to complete the project, as long as that extension does not exceed 10 years from the date of the preapproval letter.

(10) A project may be a multiphase project. If a project is a multiphase project, when each component of the multiphase project is completed, the taxpayer shall submit documentation that the component is complete, an accounting of the cost of the component, and the eligible investment for the component of each taxpayer eligible for a credit for the project of which the component is a part to the Michigan economic growth authority or the

designee of the Michigan economic growth authority, who shall verify that the component is complete. When the completion of the component is verified, a component completion certificate shall be issued to the qualified taxpayer which shall state that the taxpayer is a qualified taxpayer, the credit amount for the component, the qualified taxpayer's federal employer identification number or the Michigan treasury number assigned to the taxpayer, and the project number. The taxpayer may assign all or part of the credit for a multiphase project as provided in this section after a component completion certificate for a component is issued. The qualified taxpayer may transfer ownership of or lease the completed component and assign a proportionate share of the credit for the entire project to the qualified taxpayer that is the new owner or lessee. A multiphase project shall not be divided into more than 10 components. A component is considered to be completed when a certificate of occupancy has been issued by the local municipality in which the project is located for all of the buildings or facilities that comprise the completed component and a component completion certificate is issued or the chairperson of the Michigan economic growth authority or his or her designee, for projects approved under subsection (2) or (3), or the Michigan economic growth authority, for projects approved under subsection (4), verifies that the component is complete. A credit assigned based on a multiphase project shall be claimed by the assignee in the tax year in which the assignment is made. The total of all credits for a multiphase project shall not exceed the amount stated in the preapproval letter, as amended, for the project under subsection (1). If all components of a multiphase project are not completed by 10 years after the date on which the preapproval letter, as amended, if applicable, for the project was issued, the qualified taxpayer that received the preapproval letter for the project shall pay to the state treasurer, as a penalty, an amount equal to the sum of all credits claimed and assigned for all components of the multiphase project and no credits based on that multiphase project shall be claimed after that date by the qualified taxpayer or any assignee of the qualified taxpayer. The penalty under this subsection is subject to interest on the amount of the credit claimed or assigned determined individually for each component at the rate in section 23(2) of 1941 PA 122, MCL 205.23, beginning on the date that the credit for that component was claimed or assigned. As used in this subsection, "proportionate share" means the same percentage of the total of all credits for the project that the qualified investment for the completed component is of the total qualified investment stated in the preapproval letter, as amended, for the entire project.

(11) When a project under this section is completed, the taxpayer shall submit documentation that the project is completed, an accounting of the cost of the project, the eligible investment of each taxpayer if there is more than 1 taxpayer eligible for a credit for the project, and, if the taxpayer is not the owner or lessee of the eligible property on which the eligible investment was made at the time the project is completed, that the taxpayer was the owner or lessee of, or was a party to an agreement to purchase or lease, that eligible property when all eligible investment of the taxpayer was made. The chairperson of the Michigan economic growth authority or his or her designee, for projects approved under subsection (2) or (3), or the Michigan economic growth authority, for projects approved under subsection (4), shall verify that the project is completed. The Michigan economic growth authority shall conduct an on-site inspection as part of the verification process for projects approved under subsection (4). When the completion of the project is verified, a certificate of completion shall be issued to each qualified taxpayer that has made eligible

investment on that eligible property. The certificate of completion shall state the total amount of all credits for the project and that total shall not exceed the maximum total of all credits listed in the preapproval letter for the project under subsection (2), (3), or (4) as applicable and as amended under subsection (9) and shall state all of the following:

(a) That the taxpayer is a qualified taxpayer.

(b) The total cost of the project and the eligible investment of each qualified taxpayer.

(c) Each qualified taxpayer's credit amount.

(d) The qualified taxpayer's federal employer identification number or the Michigan treasury number assigned to the taxpayer.

(e) The project number.

(f) For a project approved under subsection (4) for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, the total of all credits and the schedule on which the annual credit amount shall be claimed by the qualified taxpayer.

(g) For a multiphase project under subsection (10), the amount of each credit assigned and the amount of all credits claimed in each tax year before the year in which the project is completed.

(12) Except as otherwise provided in this section, qualified taxpayers shall claim credits under this section in the tax year in which the certificate of completion is issued. For a project approved under subsection (4) for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, the qualified taxpayer shall claim 10% of its approved credit each year for 10 years. A credit assigned based on a multiphase project shall be claimed in the year in which the credit is assigned.

(13) The cost of eligible investment for leased machinery, equipment, or fixtures is the cost of that property had the property been purchased minus the lessor's estimate, made at the time the lease is entered into, of the market value the property will have at the end of the lease. A credit for property described in this subsection is allowed only if the cost of that property had the property been purchased and the lessor's estimate of the market value at the end of the lease are provided to the Michigan economic growth authority.

(14) Credits claimed by a lessee of eligible property are subject to the total of all credits limitation under this section.

(15) Each qualified taxpayer and assignee under subsection (20), (21), or (22) that claims a credit under this section shall attach a copy of the certificate of completion and, if the credit was assigned, a copy of the assignment form provided for under this section to the annual return filed under this part on which the credit under this section is claimed. An assignee of a credit based on a multiphase project shall attach a copy of the assignment form provided for under this section and the component completion certificate provided for in subsection (10) to the annual return filed under this part on which the credit is claimed but is not required to file a copy of a certificate of completion.

(16) Except as otherwise provided in this subsection or subsection (10), (18), (20), or (21), a credit under this section shall be claimed in the tax year in which the certificate of completion is issued to the qualified taxpayer. For a project described in subsection (11)(f) for which a schedule for claiming annual credit amounts is designated on the certificate of completion by the Michigan economic growth authority, the annual credit amount shall be claimed in the tax year specified on the certificate of completion.

(17) Except as otherwise provided under this subsection, the credits approved under

this section shall be calculated after application of all other credits allowed under this part.

(18) Except as otherwise provided under this subsection, if the credit allowed under this section for the tax year and any unused carryforward of the credit allowed under this section exceed the qualified taxpayer's or assignee's tax liability for the tax year, that portion that exceeds the tax liability for the tax year shall not be refunded but may be carried forward to offset tax liability in subsequent tax years for 10 years or until used up, whichever occurs first. Except as otherwise provided in this subsection, the maximum time allowed under the carryforward provisions under this subsection begins with the tax year in which the certificate of completion is issued to the qualified taxpayer. If the qualified taxpayer assigns all or any portion of its credit approved under this section, the maximum time allowed under the carryforward provisions for an assignee begins to run with the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year. The maximum time allowed under the carryforward provisions for an annual credit amount for a credit allowed under subsection (4) begins to run in the tax year for which the annual credit amount is designated on the certificate of completion issued under this section.

(19) If a project or credit under this section is for the addition of personal property, if the cost of that personal property is used to calculate a credit under this section, and if the personal property is disposed of or transferred from the eligible property to any other location, the qualified taxpayer that disposed of that property, or transferred the personal property shall add the same percentage as determined under subsection (1) of the federal basis of the personal property used for determining gain or loss as of the date of the disposition or transfer to the qualified taxpayer's tax liability under this part after application of all credits under this part for the tax year in which the disposition or transfer occurs. If a qualified taxpayer has an unused carryforward of a credit under this section, the amount otherwise added under this subsection to the qualified taxpayer's tax liability may instead be used to reduce the qualified taxpayer's carryforward under subsection (18).

(20) If a qualified taxpayer pays or accrues eligible investment on or to an eligible property that is leased for a minimum term of 10 years or sold to another taxpayer for use in a business activity, the qualified taxpayer may assign all or a portion of the credit under this section based on that eligible investment to the lessee or purchaser of that eligible property. A credit assignment under this subsection shall only be made to a taxpayer that when the assignment is complete will be a qualified taxpayer. All credit assignments under this subsection are irrevocable and, except for a credit based on a multiphase project, shall be made in the tax year in which the certificate of completion is issued, unless the assignee is an unknown lessee. If a qualified taxpayer wishes to assign all or a portion of its credit to a lessee but the lessee is unknown in the tax year in which the certificate of completion is issued, the qualified taxpayer may delay claiming and assigning the credit until the first tax year in which the lessee is known. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. Except as otherwise provided in this subsection, if the qualified taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which the certificate of completion is issued or, for a credit assigned and claimed for a multiphase project before a certificate of completion is issued, the taxpayer shall claim the credit in the year in which the credit is assigned. If a qualified taxpayer assigns all or a portion of the credit and the eligible

property is leased to more than 1 taxpayer, the qualified taxpayer shall determine the amount of credit assigned to each lessee. A lessee shall not subsequently assign a credit or any portion of a credit assigned under this subsection. A purchaser may subsequently assign a credit or any portion of a credit assigned to the purchaser under this subsection to a lessee of the eligible property. The credit assignment under this subsection shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which the assignment is made. The assignee shall attach a copy of the completed assignment form to its annual return required to be filed under this part, for the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year. In addition to all other procedures under this subsection, the following apply if the total of all credits for a project is more than \$10,000,000.00 but \$30,000,000.00 or less:

(a) The credit shall be assigned based on the schedule contained in the certificate of completion.

(b) If the qualified taxpayer assigns all or a portion of the credit amount, the qualified taxpayer shall assign the annual credit amount for each tax year separately.

(c) More than 1 annual credit amount may be assigned to any 1 assignee and the qualified taxpayer may assign all or a portion of each annual credit amount to any assignee.

(d) The qualified taxpayer shall not assign more than the annual credit amount for each tax year.

(21) If a qualified taxpayer is a partnership, limited liability company, or subchapter S corporation, the qualified taxpayer may assign all or a portion of a credit under this section to its partners, members, or shareholders, based on their proportionate share of ownership of the partnership, limited liability company, or subchapter S corporation or based on an alternative method approved by the Michigan economic growth authority. A credit assignment under this subsection is irrevocable and, except for a credit assignment based on a multiphase project, shall be made in the tax year in which a certificate of completion is issued. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. Except as otherwise provided in this subsection, if the qualified taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which a certificate of completion is issued or for a credit assigned and claimed for a multiphase project, before the component completion certificate is issued, the taxpayer shall claim the credit in the year in which the credit is assigned. A partner, member, or shareholder that is an assignee shall not subsequently assign a credit or any portion of a credit assigned under this subsection. The credit assignment under this subsection shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which the assignment is made. A partner, member, or shareholder who is an assignee shall attach a copy of the completed assignment form to its annual return required under this part, for the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year.

(22) When reviewing an application for a project for designation as an urban development area project, the Michigan economic growth authority for projects approved

under subsection (4) or the chairperson of the Michigan economic growth authority or his or her designee for projects approved under subsections (2) and (3) shall consider all of the following criteria:

- (a) If the project increases the density of the area by promoting multistory development.
- (b) If the project promotes mixed-use development and walkable communities.
- (c) If the project promotes sustainable redevelopment.
- (d) If the project addresses areawide redevelopment and includes multiple parcels of property.
- (e) If the project addresses underserved markets of commerce.
- (f) Any other criteria determined by the Michigan economic growth authority or the chairperson of the Michigan economic growth authority.

(23) Eligible investment attributable or related to the operation of a professional sports stadium, and eligible investment that is associated or affiliated with the operation of a professional sports stadium, including, but not limited to, the operation of a parking lot or retail store, shall not be used as a basis for a credit under this section. Professional sports stadium does not include a professional sports stadium that will no longer be used by a professional sports team on and after the date that an application related to that professional sports stadium is filed under this section.

(24) Eligible investment attributable or related to the operation of a casino, and eligible investment that is associated or affiliated with the operation of a casino, including, but not limited to, the operation of a parking lot, hotel, motel, or retail store, shall not be used as a basis for a credit under this section. As used in this subsection, "casino" means a casino regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

(25) Eligible investment attributable or related to the construction of a new landfill or the expansion of an existing landfill regulated under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11550, shall not be used as a basis for a credit under this section.

(26) The Michigan economic growth authority annually shall prepare and submit to the house of representatives and senate committees responsible for tax policy and economic development issues a report on the credits under subsections (2), (3), and (4). The report shall include, but is not limited to, all of the following:

- (a) A listing of the projects under subsections (2), (3), and (4) that were approved in the calendar year.
- (b) The total amount of eligible investment for projects approved under subsections (2), (3), and (4) in the calendar year.

(27) For purposes of this section, taxpayer includes a person subject to the tax imposed under chapters 12 and 13.

(28) As used in this section:

(a) "Annual credit amount" means the maximum amount that a qualified taxpayer is eligible to claim each tax year for a project for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, as approved under subsection (4).

(b) "Authority" means a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(c) "Blighted", "brownfield plan", "eligible activities", "facility", "functionally

obsolete", "qualified local governmental unit", and "response activity" mean those terms as defined in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(d) "Eligible investment" or "eligible investments" means, when made after the approval date of the brownfield plan but in any event no earlier than 90 days prior to the date of the preapproval letter, any demolition, construction, restoration, alteration, renovation, or improvement of buildings or site improvements on eligible property and the addition of machinery, equipment, and fixtures to eligible property after the date that eligible activities on that eligible property have started pursuant to a brownfield plan under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, if the costs of the eligible investment are not otherwise reimbursed to the taxpayer or paid for on behalf of the taxpayer from any source other than the taxpayer. The addition of leased machinery, equipment, or fixtures to eligible property by a lessee of the machinery, equipment, or fixtures is eligible investment if the lease of the machinery, equipment, or fixtures has a minimum term of 10 years or is for the expected useful life of the machinery, equipment, or fixtures, and if the owner of the machinery, equipment, or fixtures is not the qualified taxpayer with regard to that machinery, equipment, or fixtures.

(e) "Eligible property", except as otherwise provided in this section, means property for which eligible activities are identified under a brownfield plan that was used or is currently used for commercial, industrial, public, or residential purposes, including personal property located on the property, to the extent included in the brownfield plan, and that is 1 or more of the following:

(i) Is in a qualified local governmental unit and is a facility, functionally obsolete, or blighted and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

(ii) Is not in a qualified local governmental unit and is a facility, and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

(iii) Is tax reverted property owned or under the control of a land bank fast track authority.

(f) "Michigan economic growth authority" means the Michigan economic growth authority created in the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(g) "Multiphase project" means a project approved under this section that has more than 1 component, each of which can be completed separately.

(h) "Personal property" means that term as defined in section 8 of the general property tax act, 1893 PA 206, MCL 211.8, except that personal property does not include either of the following:

(i) Personal property described in section 8(h), (i), or (j) of the general property tax act, 1893 PA 206, MCL 211.8.

(ii) Buildings described in section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14.

(i) "Project" means the total of all eligible investment on an eligible property or, for purposes of subsection (6)(b), 1 of the following:

(i) All eligible investment on property not in a qualified local governmental unit that

is a facility.

(ii) All eligible investment on property that is not a facility but is functionally obsolete or blighted.

(j) "Qualified local governmental unit" means that term as defined in the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2781 to 125.2797.

(k) "Qualified taxpayer" means a taxpayer that meets both of the following criteria:

(i) Owns, leases, or has entered into an agreement to purchase or lease eligible property.

(ii) Certifies that, except as otherwise provided in this subparagraph, the department of natural resources and environment has not sued or issued a unilateral order to the taxpayer pursuant to part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, to compel response activity on or to the eligible property, or expended any state funds for response activity on or to the eligible property and demanded reimbursement for those expenditures from the qualified taxpayer. However, if the taxpayer has completed all response activity required by part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, is in compliance with any deed restriction or administrative or judicial order related to the required response activity, and has reimbursed the state for all costs incurred by the state related to the required response activity, the taxpayer meets the criteria under this subparagraph.

(l) "Urban development area project" means a project located on eligible property in the downtown or traditional central business district of a qualified local governmental unit or county seat or along a traditional commercial corridor of a qualified local governmental unit or county seat as determined by the Michigan economic growth authority or the chairperson of the Michigan economic growth authority or his or her designee.

(29) For purposes of subsection (2), eligible property means that term as defined under subsection (28)(e) except that all of the following apply:

(a) Eligible property means property identified under a brownfield plan that was used or is currently used for commercial, industrial, public, or residential purposes and that is 1 of the following:

(i) Property for which eligible activities are identified under the brownfield plan, is in a qualified local governmental unit, and is a facility, functionally obsolete, or blighted.

(ii) Property that is not in a qualified local governmental unit but is within a downtown development district established under 1975 PA 197, MCL 125.1651 to 125.1681, and is functionally obsolete or blighted, and a component of the project on that eligible property is 1 or more of the following:

(A) Infrastructure improvements that directly benefit the eligible property.

(B) Demolition of structures that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(C) Lead or asbestos abatement.

(D) Site preparation that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(iii) Property for which eligible activities are identified under the brownfield plan, is not in a qualified local governmental unit, and is a facility.

(b) Eligible property includes parcels that are adjacent or contiguous to the eligible

property if the development of the adjacent or contiguous parcels is estimated to increase the captured taxable value of the property or tax reverted property owned or under the control of a land bank fast track authority pursuant to the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(c) Eligible property includes, to the extent included in the brownfield plan, personal property located on the eligible property.

(d) Eligible property does not include qualified agricultural property exempt under section 7ee of the general property tax act, 1893 PA 206, MCL 211.7ee, from the tax levied by a local school district for school operating purposes to the extent provided under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211."

Representative Townsend moved to adopt the amendment.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Hobbs offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 43, line 25, after "1998" by striking out the balance of the line.

2. Amend page 177, following line 12, by inserting:

"SEC. 680B. (1) A QUALIFIED TAXPAYER WITH A REHABILITATION PLAN CERTIFIED AFTER DECEMBER 31, 2007 UNDER SECTION 435 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1435, OR A QUALIFIED TAXPAYER THAT HAS A REHABILITATION PLAN CERTIFIED BEFORE JANUARY 1, 2008 UNDER SECTION 39C OF FORMER 1975 PA 228 FOR THE REHABILITATION OF A HISTORIC RESOURCE FOR WHICH A CERTIFICATION OF COMPLETED REHABILITATION HAS BEEN ISSUED AFTER THE END OF THE TAXPAYER'S LAST TAX YEAR MAY CREDIT AGAINST THE TAX IMPOSED BY THIS PART THE AMOUNT DETERMINED PURSUANT TO SUBSECTION (2) FOR THE QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A HISTORIC RESOURCE PURSUANT TO THE REHABILITATION PLAN IN THE YEAR IN WHICH THE CERTIFICATION OF COMPLETED REHABILITATION OF THE HISTORIC RESOURCE IS ISSUED. ONLY THOSE EXPENDITURES THAT ARE PAID OR INCURRED DURING THE TIME PERIODS PRESCRIBED FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE AND ANY RELATED TREASURY REGULATIONS SHALL BE CONSIDERED QUALIFIED EXPENDITURES.

(2) THE CREDIT ALLOWED UNDER THIS SUBSECTION SHALL BE 25% OF THE QUALIFIED EXPENDITURES THAT ARE ELIGIBLE, OR WOULD HAVE BEEN

ELIGIBLE EXCEPT THAT THE TAXPAYER ENTERED INTO AN AGREEMENT UNDER SUBSECTION (12), FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE IF THE TAXPAYER IS ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE OR, IF THE TAXPAYER IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, 25% OF THE QUALIFIED EXPENDITURES THAT WOULD QUALIFY UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE EXCEPT THAT THE EXPENDITURES ARE MADE TO A HISTORIC RESOURCE THAT IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, SUBJECT TO BOTH OF THE FOLLOWING:

(A) A TAXPAYER WITH QUALIFIED EXPENDITURES THAT ARE ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE MAY NOT CLAIM A CREDIT UNDER THIS SECTION FOR THOSE QUALIFIED EXPENDITURES UNLESS THE TAXPAYER HAS CLAIMED AND RECEIVED A CREDIT FOR THOSE QUALIFIED EXPENDITURES UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE OR THE TAXPAYER HAS ENTERED INTO AN AGREEMENT UNDER SUBSECTION (12).

(B) A CREDIT UNDER THIS SUBSECTION SHALL BE REDUCED BY THE AMOUNT OF A CREDIT RECEIVED BY THE TAXPAYER FOR THE SAME QUALIFIED EXPENDITURES UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE.

(3) TO BE ELIGIBLE FOR THE CREDIT UNDER SUBSECTION (2), THE TAXPAYER SHALL APPLY TO AND RECEIVE FROM THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY THAT THE HISTORIC SIGNIFICANCE, THE REHABILITATION PLAN, AND THE COMPLETED REHABILITATION OF THE HISTORIC RESOURCE MEET THE CRITERIA UNDER SUBSECTION (6) AND EITHER OF THE FOLLOWING:

(a) ALL OF THE FOLLOWING CRITERIA:

(i) THE HISTORIC RESOURCE CONTRIBUTES TO THE SIGNIFICANCE OF THE HISTORIC DISTRICT IN WHICH IT IS LOCATED.

(ii) BOTH THE REHABILITATION PLAN AND COMPLETED REHABILITATION OF THE HISTORIC RESOURCE MEET THE FEDERAL SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR REHABILITATING HISTORIC BUILDINGS, 36 CFR PART 67.

(iii) ALL REHABILITATION WORK HAS BEEN DONE TO OR WITHIN THE WALLS, BOUNDARIES, OR STRUCTURES OF THE HISTORIC RESOURCE OR TO HISTORIC RESOURCES LOCATED WITHIN THE PROPERTY BOUNDARIES OF THE PROPERTY.

(B) THE TAXPAYER HAS RECEIVED CERTIFICATION FROM THE NATIONAL PARK SERVICE THAT THE HISTORIC RESOURCE'S SIGNIFICANCE, THE REHABILITATION PLAN, AND THE COMPLETED REHABILITATION QUALIFY FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE.

(4) IF A QUALIFIED TAXPAYER IS ELIGIBLE FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE QUALIFIED TAXPAYER SHALL FILE FOR CERTIFICATION WITH THE AUTHORITY TO

QUALIFY FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE. IF THE QUALIFIED TAXPAYER HAS PREVIOUSLY FILED FOR CERTIFICATION WITH THE AUTHORITY TO QUALIFY FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, ADDITIONAL FILING FOR THE CREDIT ALLOWED UNDER THIS SECTION IS NOT REQUIRED.

(5) THE AUTHORITY MAY INSPECT A HISTORIC RESOURCE AT ANY TIME DURING THE REHABILITATION PROCESS AND MAY REVOKE CERTIFICATION OF COMPLETED REHABILITATION IF THE REHABILITATION WAS NOT UNDERTAKEN AS REPRESENTED IN THE REHABILITATION PLAN OR IF UNAPPROVED ALTERATIONS TO THE COMPLETED REHABILITATION ARE MADE DURING THE 5 YEARS AFTER THE TAX YEAR IN WHICH THE CREDIT WAS CLAIMED. THE AUTHORITY SHALL PROMPTLY NOTIFY THE DEPARTMENT OF A REVOCATION.

(6) QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A HISTORIC RESOURCE MAY BE USED TO CALCULATE THE CREDIT UNDER THIS SECTION IF THE HISTORIC RESOURCE MEETS 1 OF THE CRITERIA LISTED IN SUBDIVISION (A) AND 1 OF THE CRITERIA LISTED IN SUBDIVISION (B):

(A) THE RESOURCE IS 1 OF THE FOLLOWING DURING THE TAX YEAR IN WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE QUALIFIED EXPENDITURES:

(i) INDIVIDUALLY LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES OR STATE REGISTER OF HISTORIC SITES.

(ii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC DISTRICT LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES OR THE STATE REGISTER OF HISTORIC SITES.

(iii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC DISTRICT DESIGNATED BY A LOCAL UNIT PURSUANT TO AN ORDINANCE ADOPTED UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215.

(B) THE RESOURCE MEETS 1 OF THE FOLLOWING CRITERIA DURING THE TAX YEAR IN WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE QUALIFIED EXPENDITURES:

(i) THE HISTORIC RESOURCE IS LOCATED IN A DESIGNATED HISTORIC DISTRICT IN A LOCAL UNIT OF GOVERNMENT WITH AN EXISTING ORDINANCE UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215.

(ii) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND HAS A POPULATION OF LESS THAN 5,000.

(iii) THE HISTORIC RESOURCE IS LOCATED IN AN UNINCORPORATED LOCAL UNIT OF GOVERNMENT.

(iv) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE

UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND IS LOCATED WITHIN THE BOUNDARIES OF AN ASSOCIATION THAT HAS BEEN CHARTERED UNDER 1889 PA 39, MCL 455.51 TO 455.72.

(v) THE HISTORIC RESOURCE IS SUBJECT TO A HISTORIC PRESERVATION EASEMENT.

(7) A QUALIFIED TAXPAYER MAY ASSIGN ALL OR ANY PORTION OF THE CREDIT ALLOWED UNDER THIS SECTION. A CREDIT ASSIGNMENT UNDER THIS SUBSECTION IS IRREVOCABLE AND SHALL BE MADE IN THE TAX YEAR IN WHICH A CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED. A QUALIFIED TAXPAYER MAY CLAIM A PORTION OF A CREDIT AND ASSIGN THE REMAINING AMOUNT. IF THE QUALIFIED TAXPAYER BOTH CLAIMS AND ASSIGNS PORTIONS OF THE CREDIT, THE QUALIFIED TAXPAYER SHALL CLAIM THE PORTION IT CLAIMS IN THE TAX YEAR IN WHICH A CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED PURSUANT TO THIS SECTION. AN ASSIGNEE MAY SUBSEQUENTLY ASSIGN THE CREDIT OR ANY PORTION OF THE CREDIT ASSIGNED UNDER THIS SUBSECTION TO 1 OR MORE ASSIGNEES. AN ASSIGNMENT OR SUBSEQUENT REASSIGNMENT OF A CREDIT CAN BE MADE IN THE YEAR THE CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED. A CREDIT ASSIGNMENT OR SUBSEQUENT REASSIGNMENT UNDER THIS SECTION SHALL BE MADE ON A FORM PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT OR ITS DESIGNEE SHALL REVIEW AND ISSUE A COMPLETED ASSIGNMENT OR REASSIGNMENT CERTIFICATE TO THE ASSIGNEE OR REASSIGNEE. A CREDIT AMOUNT ASSIGNED UNDER THIS SUBSECTION MAY BE CLAIMED AGAINST THE ASSIGNEES' TAX UNDER THIS PART OR UNDER PART 1. AN ASSIGNEE OR SUBSEQUENT REASSIGNEE SHALL ATTACH A COPY OF THE COMPLETED ASSIGNMENT CERTIFICATE TO THE ANNUAL RETURN REQUIRED TO BE FILED UNDER THIS PART OR UNDER PART 1, FOR THE TAX YEAR IN WHICH THE ASSIGNMENT OR REASSIGNMENT IS MADE AND THE ASSIGNEE OR REASSIGNEE FIRST CLAIMS THE CREDIT, WHICH SHALL BE THE SAME TAX YEAR.

(8) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS SECTION EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER OCCURS FIRST. IF A QUALIFIED TAXPAYER HAS AN UNUSED CARRYFORWARD OF A CREDIT UNDER THIS SECTION, THE AMOUNT OTHERWISE ADDED UNDER SUBSECTION (9), (10), OR (11) TO THE QUALIFIED TAXPAYER'S TAX LIABILITY MAY INSTEAD BE USED TO REDUCE THE QUALIFIED TAXPAYER'S CARRYFORWARD UNDER THIS SECTION. AN UNUSED CARRYFORWARD OF A CREDIT UNDER SECTION 39C OF FORMER 1975 PA 228 THAT WAS UNUSED AT THE END OF THE LAST TAX YEAR FOR WHICH FORMER 1975 PA 228 WAS IN EFFECT OR UNDER SECTION 435 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1435, MAY BE CLAIMED AGAINST THE TAX IMPOSED UNDER THIS PART FOR THE YEARS THE

CARRYFORWARD WOULD HAVE BEEN AVAILABLE UNDER SECTION 39C OF FORMER 1975 PA 228 OR UNDER SECTION 435 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1435. FOR PROJECTS FOR WHICH THE CREDIT AMOUNT ALLOWED IS LESS THAN \$250,000.00, A QUALIFIED TAXPAYER MAY ELECT TO FORGO THE CARRYOVER PERIOD AND RECEIVE A REFUND OF THE AMOUNT OF THE CREDIT THAT EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. THE AMOUNT OF THE REFUND SHALL BE EQUAL TO 90% OF THE AMOUNT OF THE CREDIT THAT EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. AN ELECTION UNDER THIS SUBSECTION SHALL BE MADE IN THE YEAR THAT A CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED AND SHALL BE IRREVOCABLE.

(9) IF THE TAXPAYER SELLS A HISTORIC RESOURCE FOR WHICH A CREDIT WAS CLAIMED UNDER THIS SECTION, UNDER SECTION 39C OF FORMER 1975 PA 228, OR UNDER SECTION 435 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1435, LESS THAN 5 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, THE FOLLOWING PERCENTAGE OF THE CREDIT AMOUNT PREVIOUSLY CLAIMED RELATIVE TO THAT HISTORIC RESOURCE SHALL BE ADDED BACK TO THE TAX LIABILITY OF THE TAXPAYER IN THE YEAR OF THE SALE:

(A) IF THE SALE IS LESS THAN 1 YEAR AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 100%.

(B) IF THE SALE IS AT LEAST 1 YEAR BUT LESS THAN 2 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 80%.

(C) IF THE SALE IS AT LEAST 2 YEARS BUT LESS THAN 3 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 60%.

(D) IF THE SALE IS AT LEAST 3 YEARS BUT LESS THAN 4 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 40%.

(E) IF THE SALE IS AT LEAST 4 YEARS BUT LESS THAN 5 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 20%.

(F) IF THE SALE IS 5 YEARS OR MORE AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, AN ADDBACK TO THE TAXPAYER'S TAX LIABILITY SHALL NOT BE MADE.

(10) IF A CERTIFICATION OF COMPLETED REHABILITATION IS REVOKED UNDER SUBSECTION (5) LESS THAN 5 YEARS AFTER THE YEAR IN WHICH A CREDIT WAS CLAIMED UNDER THIS SECTION, UNDER SECTION 39C OF FORMER 1975 PA 228, OR UNDER SECTION 435 OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1435, THE FOLLOWING PERCENTAGE OF THE CREDIT AMOUNT PREVIOUSLY CLAIMED RELATIVE TO THAT HISTORIC RESOURCE SHALL BE ADDED BACK TO THE TAX LIABILITY OF THE TAXPAYER IN THE YEAR OF THE REVOCATION:

(A) IF THE REVOCATION IS LESS THAN 1 YEAR AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 100%.

(B) IF THE REVOCATION IS AT LEAST 1 YEAR BUT LESS THAN 2 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 80%.

(C) IF THE REVOCATION IS AT LEAST 2 YEARS BUT LESS THAN 3 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 60%.

(D) IF THE REVOCATION IS AT LEAST 3 YEARS BUT LESS THAN 4 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 40%.

(E) IF THE REVOCATION IS AT LEAST 4 YEARS BUT LESS THAN 5 YEARS AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, 20%.

(F) IF THE REVOCATION IS 5 YEARS OR MORE AFTER THE YEAR IN WHICH THE CREDIT WAS CLAIMED, AN ADDBACK TO THE TAXPAYER'S TAX LIABILITY SHALL NOT BE MADE.

(11) IF A CERTIFICATE OF COMPLETED REHABILITATION IS REVOKED, A PREAPPROVAL LETTER IS REVOKED, OR A HISTORIC RESOURCE IS SOLD OR DISPOSED OF LESS THAN 5 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE AS DEFINED IN SECTION 47(B)(1) OF THE INTERNAL REVENUE CODE AND RELATED TREASURY REGULATIONS, THE FOLLOWING PERCENTAGE OF THE CREDIT AMOUNT PREVIOUSLY CLAIMED RELATIVE TO THAT HISTORIC RESOURCE SHALL BE ADDED BACK TO THE TAX LIABILITY OF THE QUALIFIED TAXPAYER THAT RECEIVED THE CERTIFICATE OF COMPLETED REHABILITATION AND NOT THE ASSIGNEE IN THE YEAR OF THE REVOCATION:

(A) IF THE REVOCATION IS LESS THAN 1 YEAR AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 100%.

(B) IF THE REVOCATION IS AT LEAST 1 YEAR BUT LESS THAN 2 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 80%.

(C) IF THE REVOCATION IS AT LEAST 2 YEARS BUT LESS THAN 3 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 60%.

(D) IF THE REVOCATION IS AT LEAST 3 YEARS BUT LESS THAN 4 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 40%.

(E) IF THE REVOCATION IS AT LEAST 4 YEARS BUT LESS THAN 5 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 20%.

(F) IF THE REVOCATION IS AT LEAST 5 YEARS OR MORE AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, AN ADDBACK TO THE QUALIFIED TAXPAYER TAX LIABILITY SHALL NOT BE REQUIRED.

(12) SUBSECTION (11) SHALL NOT APPLY IF THE QUALIFIED TAXPAYER ENTERS INTO A WRITTEN AGREEMENT WITH THE AUTHORITY THAT WILL ALLOW FOR THE TRANSFER OR SALE OF THE HISTORIC RESOURCE AND PROVIDES THE FOLLOWING:

(A) REASONABLE ASSURANCE THAT SUBSEQUENT TO THE TRANSFER THE PROPERTY WILL REMAIN A HISTORIC RESOURCE DURING THE 5-YEAR PERIOD AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE.

(B) A METHOD THAT THE DEPARTMENT CAN RECOVER AN AMOUNT FROM THE TAXPAYER EQUAL TO THE APPROPRIATE PERCENTAGE OF CREDIT ADDED BACK AS DESCRIBED UNDER SUBSECTION (11).

(C) AN ENCUMBRANCE ON THE TITLE TO THE HISTORIC RESOURCE BEING SOLD OR TRANSFERRED, STATING THAT THE PROPERTY MUST REMAIN A HISTORIC RESOURCE THROUGHOUT THE 5-YEAR PERIOD AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE.

(D) A PROVISION FOR THE PAYMENT BY THE TAXPAYER OF ALL LEGAL AND PROFESSIONAL FEES ASSOCIATED WITH THE DRAFTING, REVIEW, AND

RECORDING OF THE WRITTEN AGREEMENT REQUIRED UNDER THIS SUBSECTION.

(13) THE AUTHORITY MAY IMPOSE A FEE TO COVER THE ADMINISTRATIVE COST OF IMPLEMENTING THE PROGRAM UNDER THIS SECTION.

(14) THE QUALIFIED TAXPAYER SHALL ATTACH ALL OF THE FOLLOWING TO THE QUALIFIED TAXPAYER'S ANNUAL RETURN REQUIRED UNDER THIS PART OR UNDER PART 1 ON WHICH THE CREDIT IS CLAIMED:

(A) CERTIFICATION OF COMPLETED REHABILITATION.

(B) CERTIFICATION OF HISTORIC SIGNIFICANCE RELATED TO THE HISTORIC RESOURCE AND THE QUALIFIED EXPENDITURES USED TO CLAIM A CREDIT UNDER THIS SECTION.

(C) A COMPLETED ASSIGNMENT FORM IF THE QUALIFIED TAXPAYER OR ASSIGNEE HAS ASSIGNED ANY PORTION OF A CREDIT ALLOWED UNDER THIS SECTION OR IF THE TAXPAYER IS AN ASSIGNEE OF ANY PORTION OF A CREDIT ALLOWED UNDER THIS SECTION.

(15) THE AUTHORITY MAY PROMULGATE RULES TO IMPLEMENT THIS SECTION PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

(16) THE TOTAL OF THE CREDITS CLAIMED UNDER THIS PART AND PART 1, FOR A REHABILITATION PROJECT SHALL NOT EXCEED 25% OF THE TOTAL QUALIFIED EXPENDITURES ELIGIBLE FOR THE CREDIT UNDER SUBSECTION (2) FOR THAT REHABILITATION PROJECT.

(17) THE AUTHORITY SHALL REPORT ALL OF THE FOLLOWING TO THE LEGISLATURE ANNUALLY FOR THE IMMEDIATELY PRECEDING STATE FISCAL YEAR:

(A) THE FEE SCHEDULE USED BY THE AUTHORITY AND THE TOTAL AMOUNT OF FEES COLLECTED.

(B) A DESCRIPTION OF EACH REHABILITATION PROJECT CERTIFIED.

(C) THE LOCATION OF EACH NEW AND ONGOING REHABILITATION PROJECT.

(18) FOR PURPOSES OF THIS SECTION, TAXPAYER INCLUDES A PERSON SUBJECT TO THE TAX IMPOSED UNDER CHAPTER 12 OR 13.

(19) AS USED IN THIS SECTION:

(A) "COMBINED REHABILITATION PLAN" MEANS A REHABILITATION PLAN FOR THE REHABILITATION OF 1 OR MORE HISTORIC RESOURCES THAT ARE LOCATED WITHIN THE SAME GEOGRAPHIC DISTRICT.

(B) "CONTRIBUTING RESOURCE" MEANS A HISTORIC RESOURCE THAT CONTRIBUTES TO THE SIGNIFICANCE OF THE HISTORIC DISTRICT IN WHICH IT IS LOCATED.

(C) "HISTORIC DISTRICT" MEANS AN AREA, OR GROUP OF AREAS NOT NECESSARILY HAVING CONTIGUOUS BOUNDARIES, THAT CONTAINS 1 RESOURCE OR A GROUP OF RESOURCES THAT ARE RELATED BY HISTORY, ARCHITECTURE, ARCHAEOLOGY, ENGINEERING, OR CULTURE.

(D) "HISTORIC RESOURCE" MEANS A PUBLICLY OR PRIVATELY OWNED HISTORIC BUILDING, STRUCTURE, SITE, OBJECT, FEATURE, OR OPEN SPACE

LOCATED WITHIN A HISTORIC DISTRICT DESIGNATED BY THE NATIONAL REGISTER OF HISTORIC PLACES, THE STATE REGISTER OF HISTORIC SITES, OR A LOCAL UNIT ACTING UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, OR THAT IS INDIVIDUALLY LISTED ON THE STATE REGISTER OF HISTORIC SITES OR NATIONAL REGISTER OF HISTORIC PLACES, AND INCLUDES ALL OF THE FOLLOWING:

(i) AN OWNER-OCCUPIED PERSONAL RESIDENCE OR A HISTORIC RESOURCE LOCATED WITHIN THE PROPERTY BOUNDARIES OF THAT PERSONAL RESIDENCE.

(ii) AN INCOME-PRODUCING COMMERCIAL, INDUSTRIAL, OR RESIDENTIAL RESOURCE OR A HISTORIC RESOURCE LOCATED WITHIN THE PROPERTY BOUNDARIES OF THAT RESOURCE.

(iii) A RESOURCE OWNED BY A GOVERNMENTAL BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY THAT IS USED PRIMARILY BY A TAXPAYER LESSEE IN A TRADE OR BUSINESS UNRELATED TO THE GOVERNMENTAL BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY AND THAT IS SUBJECT TO TAX UNDER THIS ACT.

(iv) A RESOURCE THAT IS OCCUPIED OR UTILIZED BY A GOVERNMENTAL BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY PURSUANT TO A LONG-TERM LEASE OR LEASE WITH OPTION TO BUY AGREEMENT.

(v) ANY OTHER RESOURCE THAT COULD BENEFIT FROM REHABILITATION.

(E) "LOCAL UNIT" MEANS A COUNTY, CITY, VILLAGE, OR TOWNSHIP.

(F) "LONG-TERM LEASE" MEANS A LEASE TERM OF AT LEAST 27.5 YEARS FOR A RESIDENTIAL RESOURCE OR AT LEAST 31.5 YEARS FOR A NONRESIDENTIAL RESOURCE.

(G) "MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY" OR "AUTHORITY" MEANS THE PUBLIC BODY CORPORATE AND POLITIC CREATED BY SECTION 21 OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, 1966 PA 346, MCL 125.1421.

(H) "MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC FUND CREATED UNDER THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2001 TO 125.2094.

(I) "OPEN SPACE" MEANS UNDEVELOPED LAND, A NATURALLY LANDSCAPED AREA, OR A FORMAL OR MAN-MADE LANDSCAPED AREA THAT PROVIDES A CONNECTIVE LINK OR A BUFFER BETWEEN OTHER RESOURCES.

(J) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION, ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

(K) "PREAPPROVAL LETTER" MEANS A LETTER ISSUED BY THE AUTHORITY THAT INDICATES THE DATE THAT THE COMPLETE PART 2 APPLICATION WAS RECEIVED AND THE AMOUNT OF THE CREDIT ALLOCATED TO THE PROJECT BASED ON THE ESTIMATED REHABILITATION COST INCLUDED IN THE APPLICATION.

(L) "QUALIFIED EXPENDITURES" MEANS CAPITAL EXPENDITURES THAT QUALIFY, OR WOULD QUALIFY EXCEPT THAT THE TAXPAYER ENTERED

INTO AN AGREEMENT UNDER SUBSECTION (12), FOR A REHABILITATION CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE IF THE TAXPAYER IS ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE OR, IF THE TAXPAYER IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE QUALIFIED EXPENDITURES THAT WOULD QUALIFY UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE EXCEPT THAT THE EXPENDITURES ARE MADE TO A HISTORIC RESOURCE THAT IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE THAT WERE PAID. QUALIFIED EXPENDITURES DO NOT INCLUDE CAPITAL EXPENDITURES FOR NONHISTORIC ADDITIONS TO A HISTORIC RESOURCE EXCEPT AN ADDITION THAT IS REQUIRED BY STATE OR FEDERAL REGULATIONS THAT RELATE TO HISTORIC PRESERVATION, SAFETY, OR ACCESSIBILITY.

(M) "QUALIFIED TAXPAYER" MEANS A PERSON THAT EITHER OWNS THE RESOURCE TO BE REHABILITATED OR HAS A LONG-TERM LEASE AGREEMENT WITH THE OWNER OF THE HISTORIC RESOURCE AND THAT HAS QUALIFIED EXPENDITURES FOR THE REHABILITATION OF THE HISTORIC RESOURCE EQUAL TO OR GREATER THAN 10% OF THE STATE EQUALIZED VALUATION OF THE PROPERTY. IF THE HISTORIC RESOURCE TO BE REHABILITATED IS A PORTION OF A HISTORIC OR NONHISTORIC RESOURCE, THE STATE EQUALIZED VALUATION OF ONLY THAT PORTION OF THE PROPERTY SHALL BE USED FOR PURPOSES OF THIS SUBDIVISION. IF THE ASSESSOR FOR THE LOCAL TAX COLLECTING UNIT IN WHICH THE HISTORIC RESOURCE IS LOCATED DETERMINES THE STATE EQUALIZED VALUATION OF THAT PORTION, THAT ASSESSOR'S DETERMINATION SHALL BE USED FOR PURPOSES OF THIS SUBDIVISION. IF THE ASSESSOR DOES NOT DETERMINE THAT STATE EQUALIZED VALUATION OF THAT PORTION, QUALIFIED EXPENDITURES, FOR PURPOSES OF THIS SUBDIVISION, SHALL BE EQUAL TO OR GREATER THAN 5% OF THE APPRAISED VALUE AS DETERMINED BY A CERTIFIED APPRAISER. IF THE HISTORIC RESOURCE TO BE REHABILITATED DOES NOT HAVE A STATE EQUALIZED VALUATION, QUALIFIED EXPENDITURES FOR PURPOSES OF THIS SUBDIVISION SHALL BE EQUAL TO OR GREATER THAN 5% OF THE APPRAISED VALUE OF THE RESOURCE AS DETERMINED BY A CERTIFIED APPRAISER.

(N) "REHABILITATION PLAN" MEANS A PLAN FOR THE REHABILITATION OF A HISTORIC RESOURCE THAT MEETS THE FEDERAL SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR REHABILITATION OF HISTORIC BUILDINGS UNDER 36 CFR PART 67."

Representative Hobbs moved to adopt the amendments.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and

Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Barnett offered the following amendment to HB 4361 substitute (H-1):

1. Amend page 85, line 21, after "household" by striking out the balance of the sentence and inserting a period.

Representative Barnett moved to adopt the amendment.

The motion did not prevail by a vote of 7-9-1.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, Olson and Ouimet,

Pass: Representative O'Brien.

Representative Barnett offered the following amendments to HB 4361 substitute (H-1):

1. Amend page 183, line 11, after "**distributed**" by striking out the balance of the sentence and inserting "**as follows:**

(a) An amount equal to the amount distributed to the school aid fund under section 515 of the Michigan business tax act, 2007 PA 36, MCL 208.1515, in 2010 shall be distributed to the school aid fund.

(b) The balance to the general fund."

Representative Barnett moved to adopt the amendments.

The motion did not prevail by a vote of 7-10-0.

UNFAVORABLE ROLL CALL:

Yeas: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Nays: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Pass: None.

Representative Lyons moved to report HB 4361 with recommendation as substitute (H-1).

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4361 reported out with recommendation as substitute (H-1).

Representative Farrington moved to adopt substitute (H-1) for HB 4362.

The motion prevailed by a vote of 9-0-7.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: None,

Pass: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs.

Representative Lyons moved to report HB 4362 with recommendation as substitute (H-1).

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4362 reported out with recommendation as substitute (H-1).

Representative Horn moved to report HB 4479 with recommendation.

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4479 reported out with recommendation.

Representative Horn moved to report HB 4480 with recommendation.

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4480 reported out with recommendation.

Representative Lyons moved to report HB 4481 with recommendation.

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4481 reported out with recommendation.

Representative Lyons moved to report HB 4482 with recommendation.

The motion prevailed by a vote of 16-0-1.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson, Ouimet, Constan, Barnett, Meadows, Townsend, Cavanagh and Hobbs.

Nays: None,

Pass: Representative Kandrevas.

HB 4482 reported out with recommendation.

Representative Lyons moved to report HB 4483 with recommendation.

The motion prevailed by a vote of 10-7-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs,

Pass: None.

HB 4483 reported out with recommendation.

Representative Farrington moved to adopt substitute (H-1) for HB 4484.

The motion prevailed by a vote of 10-0-7.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: None,

Pass: Representatives Constan, Barnett, Kandrevas, Meadows, Townsend, Cavanagh and Hobbs.

Representative Horn moved to report HB 4484 with recommendation as substitute (H-1).

The motion prevailed by a vote of 10-6-1.

FAVORABLE ROLL CALL:

Yeas: Representatives Gilbert, Walsh, Horn, Farrington, Foster, Lyons, Nesbitt, O'Brien, Olson and Ouimet,

Nays: Representatives Constan, Barnett, Meadows, Townsend, Cavanagh and Hobbs,

Pass: Representative Kandrevas.

HB 4484 reported out with recommendation as substitute (H-1).

There being no further business to come before the committee, the Chair adjourned the meeting, the time being 11:55 a.m.

Representative Jud Gilbert, Chair

David C. Mead
Committee Clerk
April 27, 2011
85 minutes

Date Approved and Signed