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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 1046 (Substitute S-4 as reported by the Committee of the Whole)  
Sponsor: Senator Ken Sikkema  
Committee: Economic Development, International Trade and Regulatory Affairs

### **CONTENT**

The bill would amend the Michigan Economic Growth Authority Act to revise the definition of “qualified new job” to include, for jobs created after July 1, 2000, a full-time job at a facility created by an eligible business that was in excess of the number of full-time jobs maintained by that eligible business in the State 120 days before the business became an authorized business, as determined by the Authority.

Currently, “qualified new job” means a full-time job created by an authorized business at a facility that is in excess of the number of full-time jobs the authorized business maintained in the State prior to the expansion or location, as determined by the Authority.

The bill is tie-barred to Senate Bill 1345 (S-2), which would amend the Single Business Tax Act to exempt from the tax that portion of the tax base attributable to the services provided to a reciprocal insurer, pursuant to Chapter 72 of the Insurance Code, by an attorney-in-fact (a person authorized to act for the reciprocal insurer).

MCL 207.803

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

There is no way to make a reasonable estimate of the fiscal impact of this bill at this time, because there is no way to know how many high technology businesses would apply for, qualify for, and be granted the special tax breaks available under the Michigan Economic Growth Authority due to the changes proposed in this bill. While the bill would help current efforts to attract a particular high technology company to locate in Michigan, its provisions also would be applicable to other high technology businesses.

Date Completed: 11-30-00

Fiscal Analyst: J. Wortley