

HOUSE BILL No. 5844

February 28, 2008, Introduced by Reps. Johnson, Meisner, Huizenga, Miller, Leland, Hammon, Kathleen Law, Byrnes, Griffin, Condino, Robert Jones, Polidori, Gonzales, Corriveau, Espinoza, Brown, Simpson, Donigan, Gillard, Amos, Spade, McDowell, Valentine, Bauer, Meadows, Hammel, Dean, Casperson, Rick Jones, Bieda, Byrum, Ebli, Proos, Angerer, Accavitti, Palsrok, Nofs, Clemente, Hansen, Lemmons, Jackson, Lindberg, Clack, Vagnozzi, Sak, Knollenberg, Constan and Young and referred to the Committee on Commerce.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 367.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 367. (1) AN ELIGIBLE PRODUCTION COMPANY MAY CLAIM A
2 CREDIT FOR A STATE CERTIFIED QUALIFIED PRODUCTION AGAINST THE TAX
3 DEDUCTED AND WITHHELD UNDER THIS CHAPTER EQUAL TO THE AMOUNT OF THE
4 CREDIT THE ELIGIBLE PRODUCTION COMPANY IS ELIGIBLE TO CLAIM FOR THE
5 STATE CERTIFIED QUALIFIED PRODUCTION UNDER SECTION 455 OF THE
6 MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455. AN ELIGIBLE
7 PRODUCTION COMPANY SHALL NOT CLAIM A CREDIT UNDER THIS SECTION FOR
8 ANY OF THE FOLLOWING:

9 (A) A CREDIT OR PORTION OF A CREDIT THE ELIGIBLE PRODUCTION
10 COMPANY CLAIMS UNDER SECTION 455 OF THE MICHIGAN BUSINESS TAX ACT,

House Bill No. 5844 as amended March 12, 2008
2007 PA 36, MCL 208.1455.

(B) A CREDIT OR PORTION OF A CREDIT THAT ANOTHER TAXPAYER
CLAIMS UNDER THIS SECTION OR UNDER SECTION 455 OF THE MICHIGAN
BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455.

(2) THE CREDIT ALLOWED UNDER THIS SECTION SHALL NOT EXCEED THE
TAX LIABILITY OF THE ELIGIBLE PRODUCTION COMPANY UNDER THIS ACT FOR
THE TAX YEAR. THE CREDIT UNDER THIS SECTION SHALL BE CLAIMED AFTER
ALL OTHER CREDITS UNDER THIS ACT.

(3) THE AMOUNT OF THE CREDIT UNDER THIS SECTION SHALL BE
REDUCED BY A CREDIT APPLICATION AND REDEMPTION FEE EQUAL TO 0.5% OF
THE CREDIT CLAIMED, WHICH SHALL BE PAID BY THE TAXPAYER CLAIMING
THE CREDIT AND BE DEPOSITED BY THE DEPARTMENT IN THE MICHIGAN FILM
PROMOTION FUND.

[(4) TO THE EXTENT NOT WITHHELD BY A PROFESSIONAL SERVICES
CORPORATION OR PROFESSIONAL EMPLOYER ORGANIZATION, PAYMENTS TO THE
PROFESSIONAL SERVICES CORPORATION OR PROFESSIONAL EMPLOYER ORGANIZATION
FOR THE SERVICES OF A PERFORMING ARTIST OR A CREW MEMBER THAT QUALIFY FOR
THE CREDIT UNDER THIS SECTION OR SECTION 455 OF THE MICHIGAN BUSINESS TAX
ACT, 2007 PA 36, MCL 208.1455, ARE SUBJECT TO WITHHOLDING BY THE ELIGIBLE
PRODUCTION COMPANY AS PROVIDED UNDER SECTION 351.

(5)] AS USED IN THIS SECTION, "ELIGIBLE PRODUCTION COMPANY",
"MICHIGAN FILM PROMOTION FUND", AND "STATE CERTIFIED QUALIFIED
PRODUCTION" MEAN THOSE TERMS AS DEFINED UNDER SECTION 455 OF THE
MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1455.