SENATE BILL No. 1266

April 17, 2008, Introduced by Senators GLEASON, KAHN, STAMAS, ALLEN, BARCIA and SWITALSKI and referred to the Committee on Commerce and Tourism.

A bill to amend 2007 PA 36, entitled "Michigan business tax act,"

(MCL 208.1101 to 208.1601) by adding section 432a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 SEC. 432A. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
- 2 2011 AND BEFORE JANUARY 1, 2016, A QUALIFIED TAXPAYER THAT HAS
- 3 RECEIVED A CERTIFICATE UNDER SECTION 432 MAY CLAIM A CREDIT EQUAL
- 4 TO THE PRODUCT OBTAINED BY MULTIPLYING THE QUALIFIED CONSUMPTION OF
- 5 ELECTRICITY TIMES THE DIFFERENCE BETWEEN THE GUARANTEED COST OF
- 6 ELECTRICITY AND THE ACTUAL DELIVERED PRICE OF ELECTRICITY BILLED TO
- THE QUALIFIED TAXPAYER UNDER A TARIFF RATE APPROVED BY THE PUBLIC
- 8 SERVICE COMMISSION OR THE PROJECTED COST OF ELECTRICITY, WHICHEVER
- 9 IS LESS.
 - (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX

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- 1 LIABILITY OF THE QUALIFIED TAXPAYER FOR THE TAX YEAR, THE QUALIFIED
- 2 TAXPAYER MAY ELECT TO HAVE THAT PORTION THAT EXCEEDS THE TAX
- 3 LIABILITY OF THE QUALIFIED TAXPAYER REFUNDED OR TO HAVE THE EXCESS
- 4 CARRIED FORWARD TO OFFSET THE TAX LIABILITY IN SUBSEQUENT YEARS FOR
- 5 10 YEARS OR UNTIL USED UP, WHICHEVER OCCURS FIRST.
- 6 (3) AS USED IN THIS SECTION, "QUALIFIED CONSUMPTION OF
- 7 ELECTRICITY" MEANS UP TO 1,445,400 MEGAWATT HOURS OF ELECTRICITY
- 8 CONSUMED DURING THE TAX YEAR AT A FACILITY DESCRIBED BY AN
- 9 AGREEMENT ENTERED INTO UNDER SECTION 432.