

SUBSTITUTE FOR  
SENATE BILL NO. 346

(As amended, March 19, 2009)

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 254.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 254. (1) A TAXPAYER THAT PURCHASES A PARCEL OF PROPERTY  
2    AFTER <<THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION  
3    AND BEFORE JANUARY 1, 2011 THAT THE TAXPAYER WILL USE AS HIS OR HER  
4    PRINCIPAL RESIDENCE AND CLAIM AN EXEMPTION FOR THAT PROPERTY UNDER  
5    SECTION 7CC OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.7CC, AS  
6    A PRINCIPAL RESIDENCE MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED UNDER  
7    THIS ACT EQUAL TO 10% OF THE PURCHASE PRICE OR \$10,000.00, WHICHEVER IS  
8    LESS.

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(2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX

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LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE

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CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED.