

**SUBSTITUTE FOR
HOUSE BILL NO. 5102**

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.847) by adding section 718.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 718. (1) By July 1 of each year, the department, in**
2 **cooperation with the board of directors of the Michigan strategic**
3 **fund, shall submit to each member of the legislature, the governor,**
4 **the clerk of the house of representatives, the secretary of the**
5 **senate, and the senate and house fiscal agencies an annual report**
6 **concerning the operation and effectiveness of the research and**
7 **development tax credits created under sections 677 and 717. The**
8 **report shall include all of the following:**

9 **(a) A brief assessment of the overall effectiveness of the**

1 research and development tax credits created under sections 677 and
2 717. The department may use the applicable provisions of the
3 economic development incentive evaluation prepared under the
4 economic development incentive evaluation act, 2018 PA 540, MCL
5 18.1751 to 18.1759, to satisfy this subdivision.

6 (b) The number of authorized businesses filing tentative
7 claims for a research and development tax credit for the
8 immediately preceding calendar year.

9 (c) The name of each authorized business submitting claims for
10 a research and development credit with an annual return and the
11 amount of the research and development tax credit allowed for the
12 immediately preceding calendar year.

13 (d) The name of each authorized business claiming an
14 additional credit for collaboration with a research university in
15 this state and the amount of that additional credit for the
16 immediately preceding calendar year.

17 (2) The board of directors of the Michigan strategic fund may
18 delegate any actions under this chapter to authorized employees,
19 officers, and agents of the fund, which may include employees of
20 the MEDC.

21 (3) As used in this section:

22 (a) "MEDC" means that term as defined in section 4 of the
23 Michigan strategic fund act, 1984 PA 270, MCL 125.2004.

24 (b) "Michigan strategic fund" means the Michigan strategic
25 fund created under section 5 of the Michigan strategic fund act,
26 1984 PA 270, MCL 125.2005.