

HOUSE BILL NO. 5808

June 12, 2024, Introduced by Reps. DeBoer, Tisdell, Kuhn, Cavitt, Alexander, Wozniak, Paiz, Wilson, Martus, Martin, Schuette and Bruck and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.847) by adding section 253.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 253. (1) For tax years that begin on and after January 1,
2 2025, a taxpayer who makes qualified home improvements in the
3 taxpayer's principal residence during the tax year may claim a
4 credit against the tax imposed under this part equal to 10% of the
5 expenses incurred by the taxpayer in the tax year for the qualified
6 home improvements or \$3,000.00, whichever is less. To claim the

1 credit allowed under this section, the taxpayer shall, in the
2 manner required by the department, provide verification of the
3 expenses incurred for the qualified home improvement.

4 (2) If the credit allowed under this section exceeds the tax
5 liability of the taxpayer for the tax year, that portion of the
6 credit that exceeds the tax liability must be refunded.

7 (3) As used in this section:

8 (a) "Principal residence" means that term as defined in
9 section 7dd of the general property tax act, 1893 PA 206, MCL
10 211.7dd, and exempt from taxation under section 7cc of the general
11 property tax act, 1893 PA 206, MCL 211.7cc.

12 (b) "Qualified home improvement" means any renovation or
13 enhancement made to a principal residence that adds value to that
14 property, prolongs the use of that property, or increases energy
15 efficiency of that property. Qualified home improvements include,
16 but are not limited to, renovations made to kitchens, bathrooms,
17 bedrooms, or any other part of the principal residence, as well as
18 any additions, conversions, or structural changes that are made to
19 meet local and state building code requirements.