

MICHIGAN BUSINESS TAX ACT (EXCERPT)
Act 36 of 2007

***** 208.1453 THIS SECTION IS REPEALED BY ACT 90 OF 2019 EFFECTIVE FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2031 *****

208.1453 Private equity fund manager; tax credit; definitions.

Sec. 453.

(1) An eligible taxpayer may claim a credit against the tax imposed by this act equal to the eligible taxpayer's tax liability attributable to the activities as an eligible taxpayer for the tax year after claiming any other credits allowed under this act multiplied by a fraction, the numerator of which is the total activity of the private equity fund manager conducted in this state during the tax year and the denominator of which is the total activity of the private equity fund manager conducted everywhere during the tax year.

(2) For purposes of this section, the location of the activity of the private equity fund manager is based on the location of the office from which the fund manager conducts management activity for the eligible taxpayer.

(3) As used in this section:

(a) "Accredited investor" means that term as defined under section 2 of the securities act of 1933, 15 USC 77b.

(b) "Eligible taxpayer" means a taxpayer that is a private equity fund which serves as a conduit for the investment of private securities not listed on a public exchange by accredited investors or qualified purchasers at any time during which the investment is acquired or subsequently used to claim the credit under this section.

(c) "Private equity fund manager" means the person or persons responsible for the management of the investments of the eligible taxpayer.

(d) "Qualified purchaser" means that term as defined under section 2 of the investment company act of 1940, 15 USC 80a-2.

History: Add. 2007, Act 206, Eff. Jan. 1, 2008

Popular Name: MBT