

# SENATE BILL No. 866

December 2, 2003, Introduced by Senator BROWN and referred to the Committee on Finance.

A bill to amend 1964 PA 284, entitled  
"City income tax act,"  
(MCL 141.501 to 141.787) by adding section 635a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 635a. (1) For tax years that begin after December 31,  
2       2003, a taxpayer that is a qualified start-up business may claim  
3       a credit against the tax imposed by this act each tax year equal  
4       to the taxpayer's tax liability for the tax year in each of the 5  
5       consecutive tax years beginning with the first tax year in which  
6       the qualified start-up business claims a credit under section 31a  
7       of the single business tax act, 1975 PA 228, MCL 208.31a.

8       (2) If the credit allowed under this section for the tax year  
9       and any unused carryforward of the credit allowed under this  
10       section exceed the tax liability of the taxpayer for the tax  
11       year, the excess shall not be refunded but may be carried forward

1 as an offset to the tax liability in subsequent tax years for 10  
2 tax years or until the excess credit is used up, whichever occurs  
3 first.

4 (3) As used in this section, "qualified start-up business"  
5 means that term as defined in section 31a of the single business  
6 tax act, 1975 PA 228, MCL 208.31a.