

# SENATE BILL No. 1265

April 17, 2008, Introduced by Senators SWITALSKI, GLEASON, KAHN, STAMAS, ALLEN and BARCIA and referred to the Committee on Commerce and Tourism.

A bill to amend 2007 PA 36, entitled  
"Michigan business tax act,"  
(MCL 208.1101 to 208.1601) by adding section 432.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 432. (1) A QUALIFIED TAXPAYER THAT HAS ENTERED INTO AN  
2 AGREEMENT WITH THE MICHIGAN ECONOMIC GROWTH AUTHORITY THAT PROVIDES  
3 THAT THE QUALIFIED TAXPAYER WILL CONSTRUCT AND OPERATE A NEW OR  
4 EXPANDED FACILITY DESCRIBED IN THE AGREEMENT UNDER THIS SECTION FOR  
5 THE MANUFACTURE OF POLYCRYSTALLINE SILICON MAY CLAIM A CREDIT  
6 AGAINST THE TAX IMPOSED BY THIS ACT FOR A PERIOD OF 12 YEARS  
7 CALCULATED AS PROVIDED IN SECTIONS 432A THROUGH 432D AND CLAIMED  
8 FOR THE TAX YEARS AS PROVIDED IN SECTIONS 432A THROUGH 432D. THIS  
9 CREDIT SHALL BE TAKEN AFTER ALL OTHER CREDITS PROVIDED UNDER THIS  
10 ACT.

Senate Bill No. 1265 as amended April 24, 2008

1           (2) THE MICHIGAN ECONOMIC GROWTH AUTHORITY SHALL NOT ENTER  
2 INTO MORE THAN 1 AGREEMENT UNDER THIS SECTION AND SHALL NOT ENTER  
3 INTO AN AGREEMENT AFTER SEPTEMBER 30, 2008. <<THE AGREEMENT SHALL INCLUDE  
4 A REPAYMENT PROVISION OF ALL OR A PORTION OF THE CREDITS RECEIVED BY THE  
5 QUALIFIED TAXPAYER IF THE QUALIFIED TAXPAYER DOES NOT CONSTRUCT OR  
6 OPERATE A NEW OR EXPANDED FACILITY AS PROVIDED IN THE AGREEMENT.>>

7           (3) A QUALIFIED TAXPAYER SHALL NOT CLAIM A CREDIT UNDER  
8 SECTIONS 432A THROUGH 432D UNLESS THE MICHIGAN ECONOMIC GROWTH  
9 AUTHORITY HAS ISSUED A CERTIFICATE TO THAT TAXPAYER. THE QUALIFIED  
10 TAXPAYER SHALL ATTACH THE CERTIFICATE TO THE ANNUAL RETURN FILED  
11 UNDER THIS ACT ON WHICH A CREDIT UNDER THIS SECTION IS CLAIMED.

12           (4) THE CERTIFICATE REQUIRED UNDER SUBSECTION (3) SHALL STATE  
13 ALL OF THE FOLLOWING:

14           (A) THE TAXPAYER IS A QUALIFIED TAXPAYER.

15           (B) THE AMOUNT OF THE CREDIT UNDER THIS SECTION FOR THE  
16 QUALIFIED TAXPAYER FOR THE DESIGNATED TAX YEAR.

17           (C) THE TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER OR  
18 THE MICHIGAN DEPARTMENT OF TREASURY NUMBER ASSIGNED TO THE TAXPAYER  
19 AND FOR A TAXPAYER THAT IS A UNITARY BUSINESS GROUP, THE FEDERAL  
20 EMPLOYER IDENTIFICATION NUMBER OR MICHIGAN DEPARTMENT OF TREASURY  
21 NUMBER ASSIGNED TO THE MEMBER OF THE GROUP ENGAGED IN THIS STATE IN  
22 THE MANUFACTURE OF POLYCRYSTALLINE SILICON FOR SOLAR CELLS AND  
23 SEMICONDUCTOR MICROCHIPS.

24           (5) FOR PURPOSES OF THIS SECTION AND SECTIONS 432A THROUGH  
25 432D:

26           (A) "GUARANTEED COST OF ELECTRICITY" MEANS THE FOLLOWING:

27           (i) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2011 AND  
BEFORE JANUARY 1, 2019, 4.85 CENTS PER KILOWATT HOUR.

(ii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2018 AND  
BEFORE JANUARY 1, 2021, 5.20 CENTS PER KILOWATT HOUR.

1           (iii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2020 AND  
2 BEFORE JANUARY 1 2024, 6.00 CENTS PER KILOWATT HOUR.

3           (B) "PROJECTED COST OF ELECTRICITY" MEANS THE FOLLOWING:

4           (i) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2011 AND  
5 BEFORE JANUARY 1, 2013, 6.49 CENTS PER KILOWATT HOUR.

6           (ii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2012 AND  
7 BEFORE JANUARY 1, 2014, 6.66 CENTS PER KILOWATT HOUR.

8           (iii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2013 AND  
9 BEFORE JANUARY 1, 2015, 6.84 CENTS PER KILOWATT HOUR.

10          (iv) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2014 AND  
11 BEFORE JANUARY 1, 2016, 7.02 CENTS PER KILOWATT HOUR.

12          (v) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2015 AND  
13 BEFORE JANUARY 1, 2017, 7.20 CENTS PER KILOWATT HOUR.

14          (vi) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2016 AND  
15 BEFORE JANUARY 1, 2018, 7.40 CENTS PER KILOWATT HOUR.

16          (vii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2017 AND  
17 BEFORE JANUARY 1, 2019, 7.59 CENTS PER KILOWATT HOUR.

18          (viii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2018 AND  
19 BEFORE JANUARY 1, 2020, 7.79 CENTS PER KILOWATT HOUR.

20          (ix) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2019 AND  
21 BEFORE JANUARY 1, 2021, 8.00 CENTS PER KILOWATT HOUR.

22          (x) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2020 AND  
23 BEFORE JANUARY 1, 2022, 8.21 CENTS PER KILOWATT HOUR.

24          (xi) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2021 AND  
25 BEFORE JANUARY 1, 2023, 8.43 CENTS PER KILOWATT HOUR.

26          (xii) FOR A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2022 AND  
27 BEFORE JANUARY 1, 2024, 8.65 CENTS PER KILOWATT HOUR.

1           (C) "QUALIFIED TAXPAYER" MEANS A TAXPAYER WHOSE BUSINESS  
2   ACTIVITY CONDUCTED IN THIS STATE INCLUDES THE MANUFACTURING OF  
3   POLYCRYSTALLINE SILICON FOR SOLAR CELLS AND SEMICONDUCTOR  
4   MICROCHIPS.