

# SENATE BILL No. 469

June 21, 2017, Introduced by Senators SCHMIDT, HORN, ZORN, O'BRIEN and HERTEL  
and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.713) by adding sections 266a and 675.

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

1           SEC. 266A. (1) A QUALIFIED TAXPAYER WITH A REHABILITATION PLAN  
2 CERTIFIED AFTER DECEMBER 31, 2017 MAY CREDIT AGAINST THE TAX  
3 IMPOSED BY THIS PART THE AMOUNT DETERMINED PURSUANT TO SUBSECTION  
4 (2) FOR THE QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A  
5 HISTORIC RESOURCE PURSUANT TO THE REHABILITATION PLAN IN THE YEAR  
6 IN WHICH THE CERTIFICATION OF COMPLETED REHABILITATION OF THE  
7 HISTORIC RESOURCE IS ISSUED. ONLY THOSE EXPENDITURES THAT ARE PAID  
8 OR INCURRED DURING THE TIME PERIODS PRESCRIBED FOR THE CREDIT UNDER  
9 SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE AND ANY RELATED  
10 TREASURY REGULATIONS SHALL BE CONSIDERED QUALIFIED EXPENDITURES.  
11           (2) THE CREDIT ALLOWED UNDER THIS SECTION SHALL BE 25% OF THE

1 QUALIFIED EXPENDITURES THAT ARE ELIGIBLE, OR WOULD HAVE BEEN  
2 ELIGIBLE EXCEPT THAT THE TAXPAYER ELECTED TO TRANSFER THE CREDIT  
3 UNDER SUBSECTION (10), FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE  
4 INTERNAL REVENUE CODE IF THE TAXPAYER IS ELIGIBLE FOR THE CREDIT  
5 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE OR, IF THE  
6 TAXPAYER IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF  
7 THE INTERNAL REVENUE CODE, 25% OF THE QUALIFIED EXPENDITURES THAT  
8 WOULD QUALIFY UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE  
9 EXCEPT THAT THE EXPENDITURES ARE MADE TO A HISTORIC RESOURCE THAT  
10 IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE  
11 INTERNAL REVENUE CODE, SUBJECT TO BOTH OF THE FOLLOWING:

12 (A) A TAXPAYER WITH QUALIFIED EXPENDITURES THAT ARE ELIGIBLE  
13 FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE  
14 MAY NOT CLAIM A CREDIT UNDER THIS SECTION FOR THOSE QUALIFIED  
15 EXPENDITURES UNLESS THE TAXPAYER HAS CLAIMED AND RECEIVED A CREDIT  
16 FOR THOSE QUALIFIED EXPENDITURES UNDER SECTION 47(A)(2) OF THE  
17 INTERNAL REVENUE CODE OR THE TAXPAYER HAS ELECTED TO TRANSFER THE  
18 CREDIT UNDER SUBSECTION (10).

19 (B) A CREDIT UNDER THIS SECTION SHALL BE REDUCED BY THE AMOUNT  
20 OF A CREDIT RECEIVED BY THE TAXPAYER FOR THE SAME QUALIFIED  
21 EXPENDITURES UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE.

22 (3) TO BE ELIGIBLE FOR THE CREDIT UNDER THIS SECTION, THE  
23 TAXPAYER SHALL APPLY TO AND RECEIVE FROM THE MICHIGAN STATE HOUSING  
24 DEVELOPMENT AUTHORITY THAT THE HISTORIC SIGNIFICANCE, THE  
25 REHABILITATION PLAN, AND THE COMPLETED REHABILITATION OF THE  
26 HISTORIC RESOURCE MEET THE CRITERIA UNDER SUBSECTION (6) AND EITHER  
27 OF THE FOLLOWING:

1 (A) ALL OF THE FOLLOWING CRITERIA:

2 (i) THE HISTORIC RESOURCE CONTRIBUTES TO THE SIGNIFICANCE OF  
3 THE HISTORIC DISTRICT IN WHICH IT IS LOCATED.

4 (ii) BOTH THE REHABILITATION PLAN AND COMPLETED REHABILITATION  
5 OF THE HISTORIC RESOURCE MEET THE FEDERAL SECRETARY OF THE  
6 INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR  
7 REHABILITATING HISTORIC BUILDINGS, 36 CFR PART 67.

8 (iii) ALL REHABILITATION WORK HAS BEEN DONE TO OR WITHIN THE  
9 WALLS, BOUNDARIES, OR STRUCTURES OF THE HISTORIC RESOURCE OR TO  
10 HISTORIC RESOURCES LOCATED WITHIN THE PROPERTY BOUNDARIES OF THE  
11 RESOURCE.

12 (B) THE TAXPAYER HAS RECEIVED CERTIFICATION FROM THE NATIONAL  
13 PARK SERVICE THAT THE HISTORIC RESOURCE'S SIGNIFICANCE, THE  
14 REHABILITATION PLAN, AND THE COMPLETED REHABILITATION QUALIFY FOR  
15 THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE  
16 CODE.

17 (4) IF A QUALIFIED TAXPAYER IS ELIGIBLE FOR THE CREDIT ALLOWED  
18 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE QUALIFIED  
19 TAXPAYER SHALL FILE FOR CERTIFICATION WITH THE AUTHORITY TO QUALIFY  
20 FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL  
21 REVENUE CODE. IF THE QUALIFIED TAXPAYER HAS PREVIOUSLY FILED FOR  
22 CERTIFICATION WITH THE AUTHORITY TO QUALIFY FOR THE CREDIT ALLOWED  
23 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, ADDITIONAL  
24 FILING FOR THE CREDIT ALLOWED UNDER THIS SECTION IS NOT REQUIRED.

25 (5) THE AUTHORITY MAY INSPECT A HISTORIC RESOURCE AT ANY TIME  
26 DURING THE REHABILITATION PROCESS AND MAY REVOKE CERTIFICATION OF  
27 COMPLETED REHABILITATION IF THE REHABILITATION WAS NOT UNDERTAKEN

1 AS REPRESENTED IN THE REHABILITATION PLAN OR IF UNAPPROVED  
2 ALTERATIONS TO THE COMPLETED REHABILITATION ARE MADE DURING THE 5  
3 YEARS AFTER THE TAX YEAR IN WHICH THE CREDIT WAS CLAIMED. THE  
4 AUTHORITY SHALL PROMPTLY NOTIFY THE DEPARTMENT OF A REVOCATION.

5 (6) QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A  
6 HISTORIC RESOURCE MAY BE USED TO CALCULATE THE CREDIT UNDER THIS  
7 SECTION IF THE HISTORIC RESOURCE MEETS 1 OF THE CRITERIA LISTED IN  
8 SUBDIVISION (A) AND 1 OF THE CRITERIA LISTED IN SUBDIVISION (B):

9 (A) THE RESOURCE IS 1 OF THE FOLLOWING DURING THE TAX YEAR IN  
10 WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE QUALIFIED  
11 EXPENDITURES:

12 (i) INDIVIDUALLY LISTED ON THE NATIONAL REGISTER OF HISTORIC  
13 PLACES OR STATE REGISTER OF HISTORIC SITES.

14 (ii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC  
15 DISTRICT LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES OR THE  
16 STATE REGISTER OF HISTORIC SITES.

17 (iii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC  
18 DISTRICT DESIGNATED BY A LOCAL UNIT PURSUANT TO AN ORDINANCE  
19 ADOPTED UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL  
20 399.201 TO 399.215.

21 (B) THE RESOURCE MEETS 1 OF THE FOLLOWING CRITERIA DURING THE  
22 TAX YEAR IN WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE  
23 QUALIFIED EXPENDITURES:

24 (i) THE HISTORIC RESOURCE IS LOCATED IN A DESIGNATED HISTORIC  
25 DISTRICT IN A LOCAL UNIT OF GOVERNMENT WITH AN EXISTING ORDINANCE  
26 UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO  
27 399.215.

1           (ii) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL  
2 UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE UNDER THE LOCAL  
3 HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND  
4 HAS A POPULATION OF LESS THAN 5,000.

5           (iii) THE HISTORIC RESOURCE IS LOCATED IN AN UNINCORPORATED  
6 LOCAL UNIT OF GOVERNMENT.

7           (iv) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL  
8 UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE UNDER THE LOCAL  
9 HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND IS  
10 LOCATED WITHIN THE BOUNDARIES OF AN ASSOCIATION THAT HAS BEEN  
11 CHARTERED UNDER 1889 PA 39, MCL 455.51 TO 455.72.

12           (v) THE HISTORIC RESOURCE IS SUBJECT TO A HISTORIC  
13 PRESERVATION EASEMENT.

14           (7) A CREDIT AMOUNT ASSIGNED UNDER SECTION 675 MAY BE CLAIMED  
15 AGAINST THE PARTNER'S, MEMBER'S, OR SHAREHOLDER'S TAX LIABILITY  
16 UNDER THIS PART AS PROVIDED IN SECTION 675.

17           (8) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR  
18 AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS SECTION  
19 EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION  
20 THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE  
21 REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN  
22 SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER  
23 OCCURS FIRST. IF THE CREDIT AMOUNT ALLOWED IS LESS THAN  
24 \$250,000.00, A QUALIFIED TAXPAYER MAY ELECT TO FORGO THE CARRYOVER  
25 PERIOD AND RECEIVE A REFUND OF THE AMOUNT OF THE CREDIT THAT  
26 EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. THE AMOUNT OF THE  
27 REFUND SHALL BE EQUAL TO 90% OF THE AMOUNT OF THE CREDIT THAT

1 EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. AN ELECTION UNDER  
2 THIS SUBSECTION SHALL BE MADE IN THE YEAR THAT A CERTIFICATE OF  
3 COMPLETED REHABILITATION IS ISSUED AND SHALL BE IRREVOCABLE.

4 (9) IF A CERTIFICATE OF COMPLETED REHABILITATION IS REVOKED  
5 UNDER SUBSECTION (5) OR IF THE HISTORIC RESOURCE IS SOLD OR  
6 DISPOSED OF LESS THAN 5 YEARS AFTER BEING PLACED IN SERVICE AS  
7 DEFINED IN SECTION 47(B)(1) OF THE INTERNAL REVENUE CODE AND  
8 RELATED TREASURY REGULATIONS, THE FOLLOWING PERCENTAGE OF THE  
9 CREDIT AMOUNT PREVIOUSLY CLAIMED RELATIVE TO THAT HISTORIC RESOURCE  
10 SHALL BE ADDED BACK TO THE TAX LIABILITY OF THE QUALIFIED TAXPAYER  
11 THAT RECEIVED THE CERTIFICATE OF COMPLETED REHABILITATION AND NOT  
12 THE ASSIGNEE IN THE YEAR OF THE REVOCATION:

13 (A) IF THE REVOCATION IS LESS THAN 1 YEAR AFTER THE HISTORIC  
14 RESOURCE IS PLACED IN SERVICE, 100%.

15 (B) IF THE REVOCATION IS AT LEAST 1 YEAR BUT LESS THAN 2 YEARS  
16 AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 80%.

17 (C) IF THE REVOCATION IS AT LEAST 2 YEARS BUT LESS THAN 3  
18 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 60%.

19 (D) IF THE REVOCATION IS AT LEAST 3 YEARS BUT LESS THAN 4  
20 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 40%.

21 (E) IF THE REVOCATION IS AT LEAST 4 YEARS BUT LESS THAN 5  
22 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 20%.

23 (F) IF THE REVOCATION IS AT LEAST 5 YEARS OR MORE AFTER THE  
24 HISTORIC RESOURCE IS PLACED IN SERVICE, AN ADDBACK TO THE QUALIFIED  
25 TAXPAYER TAX LIABILITY IS REQUIRED.

26 (10) A QUALIFIED TAXPAYER MAY ELECT TO FORGO CLAIMING THE  
27 CREDIT AND TRANSFER THE CREDIT ALONG WITH THE OWNERSHIP OF THE

1 PROPERTY FOR WHICH THE CREDIT MAY BE CLAIMED TO A NEW OWNER. THE  
2 NEW OWNER SHALL BE TREATED AS THE QUALIFIED TAXPAYER HAVING  
3 INCURRED THE REHABILITATION COSTS AND SHALL BE SUBJECT TO THE  
4 RECAPTURE PROVISIONS UNDER SUBSECTION (9) IF THE NEW OWNER SELLS OR  
5 DISPOSES OF THE PROPERTY WITHIN 5 YEARS AFTER THE NEW OWNER  
6 ACQUIRED THE PROPERTY. FOR PURPOSES OF THIS SUBSECTION AND  
7 SUBSECTION (9), THE PLACED IN SERVICE DATE FOR A NEW OWNER IS THE  
8 DATE THE NEW OWNER ACQUIRED THE PROPERTY FOR WHICH THE CREDIT IS  
9 CLAIMED.

10 (11) THE AUTHORITY MAY IMPOSE A FEE TO COVER THE  
11 ADMINISTRATIVE COST OF IMPLEMENTING THE PROGRAM UNDER THIS SECTION.

12 (12) THE QUALIFIED TAXPAYER SHALL ATTACH ALL OF THE FOLLOWING  
13 TO THE QUALIFIED TAXPAYER'S ANNUAL RETURN UNDER THIS PART:

14 (A) CERTIFICATION OF COMPLETED REHABILITATION.

15 (B) CERTIFICATION OF HISTORIC SIGNIFICANCE RELATED TO THE  
16 HISTORIC RESOURCE AND THE QUALIFIED EXPENDITURES USED TO CLAIM A  
17 CREDIT UNDER THIS SECTION.

18 (C) A COMPLETED ASSIGNMENT FORM IF THE QUALIFIED TAXPAYER IS  
19 AN ASSIGNEE UNDER SECTION 675 OF ANY PORTION OF A CREDIT ALLOWED  
20 UNDER THAT SECTION.

21 (13) THE AUTHORITY MAY PROMULGATE RULES TO IMPLEMENT THIS  
22 SECTION PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969  
23 PA 306, MCL 24.201 TO 24.328.

24 (14) THE TOTAL OF THE CREDITS CLAIMED UNDER THIS SECTION AND  
25 SECTION 675 FOR A REHABILITATION PROJECT SHALL NOT EXCEED 25% OF  
26 THE TOTAL QUALIFIED EXPENDITURES ELIGIBLE FOR THE CREDIT UNDER THIS  
27 SECTION FOR THAT REHABILITATION PROJECT.

1 (15) THE AUTHORITY SHALL REPORT ALL OF THE FOLLOWING TO THE  
2 LEGISLATURE ANNUALLY FOR THE IMMEDIATELY PRECEDING STATE FISCAL  
3 YEAR:

4 (A) THE FEE SCHEDULE USED BY THE CENTER AND THE TOTAL AMOUNT  
5 OF FEES COLLECTED.

6 (B) A DESCRIPTION OF EACH REHABILITATION PROJECT CERTIFIED.

7 (C) THE LOCATION OF EACH NEW AND ONGOING REHABILITATION  
8 PROJECT.

9 (16) AS USED IN THIS SECTION:

10 (A) "CONTRIBUTING RESOURCE" MEANS A HISTORIC RESOURCE THAT  
11 CONTRIBUTES TO THE SIGNIFICANCE OF THE HISTORIC DISTRICT IN WHICH  
12 IT IS LOCATED.

13 (B) "HISTORIC DISTRICT" MEANS AN AREA, OR GROUP OF AREAS NOT  
14 NECESSARILY HAVING CONTIGUOUS BOUNDARIES, THAT CONTAINS 1 RESOURCE  
15 OR A GROUP OF RESOURCES THAT ARE RELATED BY HISTORY, ARCHITECTURE,  
16 ARCHAEOLOGY, ENGINEERING, OR CULTURE.

17 (C) "HISTORIC RESOURCE" MEANS A PUBLICLY OR PRIVATELY OWNED  
18 HISTORIC BUILDING, STRUCTURE, SITE, OBJECT, FEATURE, OR OPEN SPACE  
19 LOCATED WITHIN A HISTORIC DISTRICT DESIGNATED BY THE NATIONAL  
20 REGISTER OF HISTORIC PLACES, THE STATE REGISTER OF HISTORIC SITES,  
21 OR A LOCAL UNIT ACTING UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970  
22 PA 169, MCL 399.201 TO 399.215; OR THAT IS INDIVIDUALLY LISTED ON  
23 THE STATE REGISTER OF HISTORIC SITES OR NATIONAL REGISTER OF  
24 HISTORIC PLACES AND INCLUDES ALL OF THE FOLLOWING:

25 (i) AN OWNER-OCCUPIED PERSONAL RESIDENCE OR A HISTORIC  
26 RESOURCE LOCATED WITHIN THE PROPERTY BOUNDARIES OF THAT PERSONAL  
27 RESIDENCE.



1           (ii) AN INCOME-PRODUCING COMMERCIAL, INDUSTRIAL, OR  
2 RESIDENTIAL RESOURCE OR A HISTORIC RESOURCE LOCATED WITHIN THE  
3 PROPERTY BOUNDARIES OF THAT RESOURCE.

4           (iii) A RESOURCE OWNED BY A GOVERNMENTAL BODY, NONPROFIT  
5 ORGANIZATION, OR TAX-EXEMPT ENTITY THAT IS USED PRIMARILY BY A  
6 TAXPAYER LESSEE IN A TRADE OR BUSINESS UNRELATED TO THE  
7 GOVERNMENTAL BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY AND  
8 THAT IS SUBJECT TO TAX UNDER THIS PART.

9           (iv) A RESOURCE THAT IS OCCUPIED OR UTILIZED BY A GOVERNMENTAL  
10 BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY PURSUANT TO A  
11 LONG-TERM LEASE OR LEASE WITH OPTION TO BUY AGREEMENT.

12           (v) ANY OTHER RESOURCE THAT COULD BENEFIT FROM REHABILITATION.

13           (D) "LOCAL UNIT" MEANS A COUNTY, CITY, VILLAGE, OR TOWNSHIP.

14           (E) "LONG-TERM LEASE" MEANS A LEASE TERM OF AT LEAST 27.5  
15 YEARS FOR A RESIDENTIAL RESOURCE OR AT LEAST 31.5 YEARS FOR A  
16 NONRESIDENTIAL RESOURCE.

17           (F) "MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY" OR  
18 "AUTHORITY" MEANS THE PUBLIC BODY CORPORATE AND POLITIC CREATED BY  
19 SECTION 21 OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966,  
20 1966 PA 346, MCL 125.1421.

21           (G) "OPEN SPACE" MEANS UNDEVELOPED LAND, A NATURALLY  
22 LANDSCAPED AREA, OR A FORMAL OR MAN-MADE LANDSCAPED AREA THAT  
23 PROVIDES A CONNECTIVE LINK OR A BUFFER BETWEEN OTHER RESOURCES.

24           (H) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION,  
25 ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

26           (I) "QUALIFIED EXPENDITURES" MEANS CAPITAL EXPENDITURES THAT  
27 QUALIFY, OR WOULD QUALIFY EXCEPT THAT THE TAXPAYER ELECTED TO

1 TRANSFER THE CREDIT UNDER SUBSECTION (10), FOR A REHABILITATION  
2 CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE IF THE  
3 TAXPAYER IS ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE  
4 INTERNAL REVENUE CODE OR, IF THE TAXPAYER IS NOT ELIGIBLE FOR THE  
5 CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE  
6 QUALIFIED EXPENDITURES THAT WOULD QUALIFY UNDER SECTION 47(A)(2) OF  
7 THE INTERNAL REVENUE CODE EXCEPT THAT THE EXPENDITURES ARE MADE TO  
8 A HISTORIC RESOURCE THAT IS NOT ELIGIBLE FOR THE CREDIT UNDER  
9 SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THAT WERE PAID.  
10 QUALIFIED EXPENDITURES DO NOT INCLUDE CAPITAL EXPENDITURES FOR  
11 NONHISTORIC ADDITIONS TO A HISTORIC RESOURCE EXCEPT AN ADDITION  
12 THAT IS REQUIRED BY STATE OR FEDERAL REGULATIONS THAT RELATE TO  
13 HISTORIC PRESERVATION, SAFETY, OR ACCESSIBILITY.

14 (J) "QUALIFIED TAXPAYER" MEANS A PERSON THAT IS AN ASSIGNEE  
15 UNDER SECTION 675 OR EITHER OWNS THE RESOURCE TO BE REHABILITATED  
16 OR HAS A LONG-TERM LEASE AGREEMENT WITH THE OWNER OF THE HISTORIC  
17 RESOURCE AND THAT HAS QUALIFIED EXPENDITURES FOR THE REHABILITATION  
18 OF THE HISTORIC RESOURCE EQUAL TO OR GREATER THAN 10% OF THE STATE  
19 EQUALIZED VALUATION OF THE PROPERTY. IF THE HISTORIC RESOURCE TO BE  
20 REHABILITATED IS A PORTION OF A HISTORIC OR NONHISTORIC RESOURCE,  
21 THE STATE EQUALIZED VALUATION OF ONLY THAT PORTION OF THE PROPERTY  
22 SHALL BE USED FOR PURPOSES OF THIS SUBDIVISION. IF THE ASSESSOR FOR  
23 THE LOCAL TAX COLLECTING UNIT IN WHICH THE HISTORIC RESOURCE IS  
24 LOCATED DETERMINES THE STATE EQUALIZED VALUATION OF THAT PORTION,  
25 THAT ASSESSOR'S DETERMINATION SHALL BE USED FOR PURPOSES OF THIS  
26 SUBDIVISION. IF THE ASSESSOR DOES NOT DETERMINE THAT STATE  
27 EQUALIZED VALUATION OF THAT PORTION, QUALIFIED EXPENDITURES, FOR

1 PURPOSES OF THIS SUBDIVISION, SHALL BE EQUAL TO OR GREATER THAN 5%  
2 OF THE APPRAISED VALUE AS DETERMINED BY A CERTIFIED APPRAISER. IF  
3 THE HISTORIC RESOURCE TO BE REHABILITATED DOES NOT HAVE A STATE  
4 EQUALIZED VALUATION, QUALIFIED EXPENDITURES FOR PURPOSES OF THIS  
5 SUBDIVISION SHALL BE EQUAL TO OR GREATER THAN 5% OF THE APPRAISED  
6 VALUE OF THE RESOURCE AS DETERMINED BY A CERTIFIED APPRAISER.

7 (K) "REHABILITATION PLAN" MEANS A PLAN FOR THE REHABILITATION  
8 OF A HISTORIC RESOURCE THAT MEETS THE FEDERAL SECRETARY OF THE  
9 INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR  
10 REHABILITATION OF HISTORIC BUILDINGS UNDER 36 CFR PART 67.

11 SEC. 675. (1) A QUALIFIED TAXPAYER WITH A REHABILITATION PLAN  
12 CERTIFIED AFTER DECEMBER 31, 2017 MAY CREDIT AGAINST THE TAX  
13 IMPOSED BY THIS PART THE AMOUNT DETERMINED PURSUANT TO SUBSECTION  
14 (2) FOR THE QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A  
15 HISTORIC RESOURCE PURSUANT TO THE REHABILITATION PLAN IN THE YEAR  
16 IN WHICH THE CERTIFICATION OF COMPLETED REHABILITATION OF THE  
17 HISTORIC RESOURCE IS ISSUED. ONLY THOSE EXPENDITURES THAT ARE PAID  
18 OR INCURRED DURING THE TIME PERIODS PRESCRIBED FOR THE CREDIT UNDER  
19 SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE AND ANY RELATED  
20 TREASURY REGULATIONS SHALL BE CONSIDERED QUALIFIED EXPENDITURES.

21 (2) THE CREDIT ALLOWED UNDER THIS SUBSECTION SHALL BE 25% OF  
22 THE QUALIFIED EXPENDITURES THAT ARE ELIGIBLE, OR WOULD HAVE BEEN  
23 ELIGIBLE EXCEPT THAT THE TAXPAYER ENTERED INTO AN AGREEMENT UNDER  
24 SUBSECTION (10), FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE  
25 INTERNAL REVENUE CODE IF THE TAXPAYER IS ELIGIBLE FOR THE CREDIT  
26 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE OR, IF THE  
27 TAXPAYER IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF

1 THE INTERNAL REVENUE CODE, 25% OF THE QUALIFIED EXPENDITURES THAT  
2 WOULD QUALIFY UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE  
3 EXCEPT THAT THE EXPENDITURES ARE MADE TO A HISTORIC RESOURCE THAT  
4 IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE  
5 INTERNAL REVENUE CODE, SUBJECT TO BOTH OF THE FOLLOWING:

6 (A) A TAXPAYER WITH QUALIFIED EXPENDITURES THAT ARE ELIGIBLE  
7 FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE  
8 MAY NOT CLAIM A CREDIT UNDER THIS SECTION FOR THOSE QUALIFIED  
9 EXPENDITURES UNLESS THE TAXPAYER HAS CLAIMED AND RECEIVED A CREDIT  
10 FOR THOSE QUALIFIED EXPENDITURES UNDER SECTION 47(A)(2) OF THE  
11 INTERNAL REVENUE CODE OR THE TAXPAYER HAS ENTERED INTO AN AGREEMENT  
12 UNDER SUBSECTION (10).

13 (B) A CREDIT UNDER THIS SUBSECTION SHALL BE REDUCED BY THE  
14 AMOUNT OF A CREDIT RECEIVED BY THE TAXPAYER FOR THE SAME QUALIFIED  
15 EXPENDITURES UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE.

16 (3) TO BE ELIGIBLE FOR THE CREDIT UNDER SUBSECTION (2), THE  
17 TAXPAYER SHALL APPLY TO AND RECEIVE FROM THE MICHIGAN STATE HOUSING  
18 DEVELOPMENT AUTHORITY THAT THE HISTORIC SIGNIFICANCE, THE  
19 REHABILITATION PLAN, AND THE COMPLETED REHABILITATION OF THE  
20 HISTORIC RESOURCE MEET THE CRITERIA UNDER SUBSECTION (6) AND EITHER  
21 OF THE FOLLOWING:

22 (A) ALL OF THE FOLLOWING CRITERIA:

23 (i) THE HISTORIC RESOURCE CONTRIBUTES TO THE SIGNIFICANCE OF  
24 THE HISTORIC DISTRICT IN WHICH IT IS LOCATED.

25 (ii) BOTH THE REHABILITATION PLAN AND COMPLETED REHABILITATION  
26 OF THE HISTORIC RESOURCE MEET THE FEDERAL SECRETARY OF THE  
27 INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR

1 REHABILITATING HISTORIC BUILDINGS, 36 CFR PART 67.

2 (iii) ALL REHABILITATION WORK HAS BEEN DONE TO OR WITHIN THE  
3 WALLS, BOUNDARIES, OR STRUCTURES OF THE HISTORIC RESOURCE OR TO  
4 HISTORIC RESOURCES LOCATED WITHIN THE PROPERTY BOUNDARIES OF THE  
5 PROPERTY.

6 (B) THE TAXPAYER HAS RECEIVED CERTIFICATION FROM THE NATIONAL  
7 PARK SERVICE THAT THE HISTORIC RESOURCE'S SIGNIFICANCE, THE  
8 REHABILITATION PLAN, AND THE COMPLETED REHABILITATION QUALIFY FOR  
9 THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE  
10 CODE.

11 (4) IF A QUALIFIED TAXPAYER IS ELIGIBLE FOR THE CREDIT ALLOWED  
12 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE QUALIFIED  
13 TAXPAYER SHALL FILE FOR CERTIFICATION WITH THE AUTHORITY TO QUALIFY  
14 FOR THE CREDIT ALLOWED UNDER SECTION 47(A)(2) OF THE INTERNAL  
15 REVENUE CODE. IF THE QUALIFIED TAXPAYER HAS PREVIOUSLY FILED FOR  
16 CERTIFICATION WITH THE AUTHORITY TO QUALIFY FOR THE CREDIT ALLOWED  
17 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, ADDITIONAL  
18 FILING FOR THE CREDIT ALLOWED UNDER THIS SECTION IS NOT REQUIRED.

19 (5) THE AUTHORITY MAY INSPECT A HISTORIC RESOURCE AT ANY TIME  
20 DURING THE REHABILITATION PROCESS AND MAY REVOKE CERTIFICATION OF  
21 COMPLETED REHABILITATION IF THE REHABILITATION WAS NOT UNDERTAKEN  
22 AS REPRESENTED IN THE REHABILITATION PLAN OR IF UNAPPROVED  
23 ALTERATIONS TO THE COMPLETED REHABILITATION ARE MADE DURING THE 5  
24 YEARS AFTER THE TAX YEAR IN WHICH THE CREDIT WAS CLAIMED. THE  
25 AUTHORITY SHALL PROMPTLY NOTIFY THE DEPARTMENT OF A REVOCATION.

26 (6) QUALIFIED EXPENDITURES FOR THE REHABILITATION OF A  
27 HISTORIC RESOURCE MAY BE USED TO CALCULATE THE CREDIT UNDER THIS

1 SECTION IF THE HISTORIC RESOURCE MEETS 1 OF THE CRITERIA LISTED IN  
2 SUBDIVISION (A) AND 1 OF THE CRITERIA LISTED IN SUBDIVISION (B):

3 (A) THE RESOURCE IS 1 OF THE FOLLOWING DURING THE TAX YEAR IN  
4 WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE QUALIFIED  
5 EXPENDITURES:

6 (i) INDIVIDUALLY LISTED ON THE NATIONAL REGISTER OF HISTORIC  
7 PLACES OR STATE REGISTER OF HISTORIC SITES.

8 (ii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC  
9 DISTRICT LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES OR THE  
10 STATE REGISTER OF HISTORIC SITES.

11 (iii) A CONTRIBUTING RESOURCE LOCATED WITHIN A HISTORIC  
12 DISTRICT DESIGNATED BY A LOCAL UNIT PURSUANT TO AN ORDINANCE  
13 ADOPTED UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL  
14 399.201 TO 399.215.

15 (B) THE RESOURCE MEETS 1 OF THE FOLLOWING CRITERIA DURING THE  
16 TAX YEAR IN WHICH A CREDIT UNDER THIS SECTION IS CLAIMED FOR THOSE  
17 QUALIFIED EXPENDITURES:

18 (i) THE HISTORIC RESOURCE IS LOCATED IN A DESIGNATED HISTORIC  
19 DISTRICT IN A LOCAL UNIT OF GOVERNMENT WITH AN EXISTING ORDINANCE  
20 UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO  
21 399.215.

22 (ii) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL  
23 UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE UNDER THE LOCAL  
24 HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND  
25 HAS A POPULATION OF LESS THAN 5,000.

26 (iii) THE HISTORIC RESOURCE IS LOCATED IN AN UNINCORPORATED  
27 LOCAL UNIT OF GOVERNMENT.

1           (iv) THE HISTORIC RESOURCE IS LOCATED IN AN INCORPORATED LOCAL  
2 UNIT OF GOVERNMENT THAT DOES NOT HAVE AN ORDINANCE UNDER THE LOCAL  
3 HISTORIC DISTRICTS ACT, 1970 PA 169, MCL 399.201 TO 399.215, AND IS  
4 LOCATED WITHIN THE BOUNDARIES OF AN ASSOCIATION THAT HAS BEEN  
5 CHARTERED UNDER 1889 PA 39, MCL 455.51 TO 455.72.

6           (v) THE HISTORIC RESOURCE IS SUBJECT TO A HISTORIC  
7 PRESERVATION EASEMENT.

8           (7) A QUALIFIED TAXPAYER MAY ASSIGN ALL OR ANY PORTION OF THE  
9 CREDIT ALLOWED UNDER THIS SECTION. A CREDIT ASSIGNMENT UNDER THIS  
10 SUBSECTION IS IRREVOCABLE AND SHALL BE MADE IN THE TAX YEAR IN  
11 WHICH A CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED. A  
12 QUALIFIED TAXPAYER MAY CLAIM A PORTION OF A CREDIT AND ASSIGN THE  
13 REMAINING AMOUNT. IF THE QUALIFIED TAXPAYER BOTH CLAIMS AND ASSIGNS  
14 PORTIONS OF THE CREDIT, THE QUALIFIED TAXPAYER SHALL CLAIM THE  
15 PORTION IT CLAIMS IN THE TAX YEAR IN WHICH A CERTIFICATE OF  
16 COMPLETED REHABILITATION IS ISSUED PURSUANT TO THIS SECTION. AN  
17 ASSIGNEE MAY SUBSEQUENTLY ASSIGN THE CREDIT OR ANY PORTION OF THE  
18 CREDIT ASSIGNED UNDER THIS SUBSECTION TO 1 OR MORE ASSIGNEES. AN  
19 ASSIGNMENT OR SUBSEQUENT REASSIGNMENT OF A CREDIT CAN BE MADE IN  
20 THE YEAR THE CERTIFICATE OF COMPLETED REHABILITATION IS ISSUED. A  
21 CREDIT ASSIGNMENT OR SUBSEQUENT REASSIGNMENT UNDER THIS SECTION  
22 SHALL BE MADE ON A FORM PRESCRIBED BY THE DEPARTMENT. THE  
23 DEPARTMENT OR ITS DESIGNEE SHALL REVIEW AND ISSUE A COMPLETED  
24 ASSIGNMENT OR REASSIGNMENT CERTIFICATE TO THE ASSIGNEE OR  
25 REASSIGNEE. A CREDIT AMOUNT ASSIGNED UNDER THIS SUBSECTION MAY BE  
26 CLAIMED AGAINST THE ASSIGNEES' TAX UNDER THIS PART OR PART 1. AN  
27 ASSIGNEE OR SUBSEQUENT REASSIGNEE SHALL ATTACH A COPY OF THE

1 COMPLETED ASSIGNMENT CERTIFICATE TO THE ANNUAL RETURN REQUIRED TO  
2 BE FILED UNDER THIS PART FOR THE TAX YEAR IN WHICH THE ASSIGNMENT  
3 OR REASSIGNMENT IS MADE AND THE ASSIGNEE OR REASSIGNEE FIRST CLAIMS  
4 THE CREDIT, WHICH SHALL BE THE SAME TAX YEAR.

5 (8) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR  
6 AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS SECTION  
7 EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION  
8 THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE  
9 REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN  
10 SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP, WHICHEVER  
11 OCCURS FIRST. IF A QUALIFIED TAXPAYER HAS AN UNUSED CARRYFORWARD OF  
12 A CREDIT UNDER THIS SECTION, THE AMOUNT OTHERWISE ADDED UNDER  
13 SUBSECTION (9) TO THE QUALIFIED TAXPAYER'S TAX LIABILITY MAY  
14 INSTEAD BE USED TO REDUCE THE QUALIFIED TAXPAYER'S CARRYFORWARD  
15 UNDER THIS SECTION. IF THE CREDIT AMOUNT ALLOWED IS LESS THAN  
16 \$250,000.00, A QUALIFIED TAXPAYER MAY ELECT TO FORGO THE CARRYOVER  
17 PERIOD AND RECEIVE A REFUND OF THE AMOUNT OF THE CREDIT THAT  
18 EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. THE AMOUNT OF THE  
19 REFUND SHALL BE EQUAL TO 90% OF THE AMOUNT OF THE CREDIT THAT  
20 EXCEEDS THE QUALIFIED TAXPAYER'S TAX LIABILITY. AN ELECTION UNDER  
21 THIS SUBSECTION SHALL BE MADE IN THE YEAR THAT A CERTIFICATE OF  
22 COMPLETED REHABILITATION IS ISSUED AND SHALL BE IRREVOCABLE.

23 (9) EXCEPT AS OTHERWISE PROVIDED UNDER SUBSECTION (10), IF A  
24 CERTIFICATE OF COMPLETED REHABILITATION IS REVOKED UNDER SUBSECTION  
25 (5) OR A HISTORIC RESOURCE IS SOLD OR DISPOSED OF LESS THAN 5 YEARS  
26 AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE AS DEFINED IN  
27 SECTION 47(B)(1) OF THE INTERNAL REVENUE CODE AND RELATED TREASURY



1 REGULATIONS, THE FOLLOWING PERCENTAGE OF THE CREDIT AMOUNT  
2 PREVIOUSLY CLAIMED RELATIVE TO THAT HISTORIC RESOURCE SHALL BE  
3 ADDED BACK TO THE TAX LIABILITY OF THE QUALIFIED TAXPAYER THAT  
4 RECEIVED THE CERTIFICATE OF COMPLETED REHABILITATION AND NOT THE  
5 ASSIGNEE IN THE YEAR OF THE REVOCATION:

6 (A) IF THE REVOCATION IS LESS THAN 1 YEAR AFTER THE HISTORIC  
7 RESOURCE IS PLACED IN SERVICE, 100%.

8 (B) IF THE REVOCATION IS AT LEAST 1 YEAR BUT LESS THAN 2 YEARS  
9 AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 80%.

10 (C) IF THE REVOCATION IS AT LEAST 2 YEARS BUT LESS THAN 3  
11 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 60%.

12 (D) IF THE REVOCATION IS AT LEAST 3 YEARS BUT LESS THAN 4  
13 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 40%.

14 (E) IF THE REVOCATION IS AT LEAST 4 YEARS BUT LESS THAN 5  
15 YEARS AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE, 20%.

16 (F) IF THE REVOCATION IS AT LEAST 5 YEARS OR MORE AFTER THE  
17 HISTORIC RESOURCE IS PLACED IN SERVICE, AN ADDBACK TO THE QUALIFIED  
18 TAXPAYER TAX LIABILITY SHALL NOT BE REQUIRED.

19 (10) SUBSECTION (9) SHALL NOT APPLY IF THE QUALIFIED TAXPAYER  
20 ENTERS INTO A WRITTEN AGREEMENT WITH THE AUTHORITY THAT WILL ALLOW  
21 FOR THE TRANSFER OR SALE OF THE HISTORIC RESOURCE AND PROVIDES THE  
22 FOLLOWING:

23 (A) REASONABLE ASSURANCE THAT SUBSEQUENT TO THE TRANSFER THE  
24 PROPERTY WILL REMAIN A HISTORIC RESOURCE DURING THE 5-YEAR PERIOD  
25 AFTER THE HISTORIC RESOURCE IS PLACED IN SERVICE.

26 (B) A METHOD THAT THE DEPARTMENT CAN RECOVER AN AMOUNT FROM  
27 THE TAXPAYER EQUAL TO THE APPROPRIATE PERCENTAGE OF CREDIT ADDED

1 BACK AS DESCRIBED UNDER SUBSECTION (9).

2 (C) AN ENCUMBRANCE ON THE TITLE TO THE HISTORIC RESOURCE BEING  
3 SOLD OR TRANSFERRED, STATING THAT THE PROPERTY MUST REMAIN A  
4 HISTORIC RESOURCE THROUGHOUT THE 5-YEAR PERIOD AFTER THE HISTORIC  
5 RESOURCE IS PLACED IN SERVICE.

6 (D) A PROVISION FOR THE PAYMENT BY THE TAXPAYER OF ALL LEGAL  
7 AND PROFESSIONAL FEES ASSOCIATED WITH THE DRAFTING, REVIEW, AND  
8 RECORDING OF THE WRITTEN AGREEMENT REQUIRED UNDER THIS SUBSECTION.

9 (11) THE AUTHORITY MAY IMPOSE A FEE TO COVER THE  
10 ADMINISTRATIVE COST OF IMPLEMENTING THE PROGRAM UNDER THIS SECTION.

11 (12) THE QUALIFIED TAXPAYER SHALL ATTACH ALL OF THE FOLLOWING  
12 TO THE QUALIFIED TAXPAYER'S ANNUAL RETURN REQUIRED UNDER THIS PART,  
13 IF APPLICABLE, ON WHICH THE CREDIT IS CLAIMED:

14 (A) CERTIFICATION OF COMPLETED REHABILITATION.

15 (B) CERTIFICATION OF HISTORIC SIGNIFICANCE RELATED TO THE  
16 HISTORIC RESOURCE AND THE QUALIFIED EXPENDITURES USED TO CLAIM A  
17 CREDIT UNDER THIS SECTION.

18 (C) A COMPLETED ASSIGNMENT FORM IF THE QUALIFIED TAXPAYER OR  
19 ASSIGNEE HAS ASSIGNED ANY PORTION OF A CREDIT ALLOWED UNDER THIS  
20 SECTION OR IF THE TAXPAYER IS AN ASSIGNEE OF ANY PORTION OF A  
21 CREDIT ALLOWED UNDER THIS SECTION.

22 (13) THE AUTHORITY MAY PROMULGATE RULES TO IMPLEMENT THIS  
23 SECTION PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969  
24 PA 306, MCL 24.201 TO 24.328.

25 (14) THE TOTAL OF THE CREDITS CLAIMED UNDER SUBSECTION (2) AND  
26 SECTION 266A FOR A REHABILITATION PROJECT SHALL NOT EXCEED 25% OF  
27 THE TOTAL QUALIFIED EXPENDITURES ELIGIBLE FOR THE CREDIT UNDER

1 SUBSECTION (2) FOR THAT REHABILITATION PROJECT.

2 (15) THE AUTHORITY SHALL REPORT ALL OF THE FOLLOWING TO THE  
3 LEGISLATURE ANNUALLY FOR THE IMMEDIATELY PRECEDING STATE FISCAL  
4 YEAR:

5 (A) THE FEE SCHEDULE USED BY THE AUTHORITY AND THE TOTAL  
6 AMOUNT OF FEES COLLECTED.

7 (B) A DESCRIPTION OF EACH REHABILITATION PROJECT CERTIFIED.

8 (C) THE LOCATION OF EACH NEW AND ONGOING REHABILITATION  
9 PROJECT.

10 (16) AS USED IN THIS SECTION:

11 (A) "CONTRIBUTING RESOURCE" MEANS A HISTORIC RESOURCE THAT  
12 CONTRIBUTES TO THE SIGNIFICANCE OF THE HISTORIC DISTRICT IN WHICH  
13 IT IS LOCATED.

14 (B) "HISTORIC DISTRICT" MEANS AN AREA, OR GROUP OF AREAS NOT  
15 NECESSARILY HAVING CONTIGUOUS BOUNDARIES, THAT CONTAINS 1 RESOURCE  
16 OR A GROUP OF RESOURCES THAT ARE RELATED BY HISTORY, ARCHITECTURE,  
17 ARCHAEOLOGY, ENGINEERING, OR CULTURE.

18 (C) "HISTORIC RESOURCE" MEANS A PUBLICLY OR PRIVATELY OWNED  
19 HISTORIC BUILDING, STRUCTURE, SITE, OBJECT, FEATURE, OR OPEN SPACE  
20 LOCATED WITHIN A HISTORIC DISTRICT DESIGNATED BY THE NATIONAL  
21 REGISTER OF HISTORIC PLACES, THE STATE REGISTER OF HISTORIC SITES,  
22 OR A LOCAL UNIT ACTING UNDER THE LOCAL HISTORIC DISTRICTS ACT, 1970  
23 PA 169, MCL 399.201 TO 399.215, OR THAT IS INDIVIDUALLY LISTED ON  
24 THE STATE REGISTER OF HISTORIC SITES OR NATIONAL REGISTER OF  
25 HISTORIC PLACES, AND INCLUDES ALL OF THE FOLLOWING:

26 (i) AN OWNER-OCCUPIED PERSONAL RESIDENCE OR A HISTORIC  
27 RESOURCE LOCATED WITHIN THE PROPERTY BOUNDARIES OF THAT PERSONAL

1 RESIDENCE.

2 (ii) AN INCOME-PRODUCING COMMERCIAL, INDUSTRIAL, OR  
3 RESIDENTIAL RESOURCE OR A HISTORIC RESOURCE LOCATED WITHIN THE  
4 PROPERTY BOUNDARIES OF THAT RESOURCE.

5 (iii) A RESOURCE OWNED BY A GOVERNMENTAL BODY, NONPROFIT  
6 ORGANIZATION, OR TAX-EXEMPT ENTITY THAT IS USED PRIMARILY BY A  
7 TAXPAYER LESSEE IN A TRADE OR BUSINESS UNRELATED TO THE  
8 GOVERNMENTAL BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY AND  
9 THAT IS SUBJECT TO TAX UNDER THIS ACT.

10 (iv) A RESOURCE THAT IS OCCUPIED OR UTILIZED BY A GOVERNMENTAL  
11 BODY, NONPROFIT ORGANIZATION, OR TAX-EXEMPT ENTITY PURSUANT TO A  
12 LONG-TERM LEASE OR LEASE WITH OPTION TO BUY AGREEMENT.

13 (v) ANY OTHER RESOURCE THAT COULD BENEFIT FROM REHABILITATION.

14 (D) "LOCAL UNIT" MEANS A COUNTY, CITY, VILLAGE, OR TOWNSHIP.

15 (E) "LONG-TERM LEASE" MEANS A LEASE TERM OF AT LEAST 27.5  
16 YEARS FOR A RESIDENTIAL RESOURCE OR AT LEAST 31.5 YEARS FOR A  
17 NONRESIDENTIAL RESOURCE.

18 (F) "MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY" OR  
19 "AUTHORITY" MEANS THE PUBLIC BODY CORPORATE AND POLITIC CREATED BY  
20 SECTION 21 OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966,  
21 1966 PA 346, MCL 125.1421.

22 (G) "OPEN SPACE" MEANS UNDEVELOPED LAND, A NATURALLY  
23 LANDSCAPED AREA, OR A FORMAL OR MAN-MADE LANDSCAPED AREA THAT  
24 PROVIDES A CONNECTIVE LINK OR A BUFFER BETWEEN OTHER RESOURCES.

25 (H) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION,  
26 ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

27 (I) "QUALIFIED EXPENDITURES" MEANS CAPITAL EXPENDITURES THAT

1 QUALIFY, OR WOULD QUALIFY EXCEPT THAT THE TAXPAYER ENTERED INTO AN  
2 AGREEMENT UNDER SUBSECTION (10), FOR A REHABILITATION CREDIT UNDER  
3 SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE IF THE TAXPAYER IS  
4 ELIGIBLE FOR THE CREDIT UNDER SECTION 47(A)(2) OF THE INTERNAL  
5 REVENUE CODE OR, IF THE TAXPAYER IS NOT ELIGIBLE FOR THE CREDIT  
6 UNDER SECTION 47(A)(2) OF THE INTERNAL REVENUE CODE, THE QUALIFIED  
7 EXPENDITURES THAT WOULD QUALIFY UNDER SECTION 47(A)(2) OF THE  
8 INTERNAL REVENUE CODE EXCEPT THAT THE EXPENDITURES ARE MADE TO A  
9 HISTORIC RESOURCE THAT IS NOT ELIGIBLE FOR THE CREDIT UNDER SECTION  
10 47(A)(2) OF THE INTERNAL REVENUE CODE THAT WERE PAID. QUALIFIED  
11 EXPENDITURES DO NOT INCLUDE CAPITAL EXPENDITURES FOR NONHISTORIC  
12 ADDITIONS TO A HISTORIC RESOURCE EXCEPT AN ADDITION THAT IS  
13 REQUIRED BY STATE OR FEDERAL REGULATIONS THAT RELATE TO HISTORIC  
14 PRESERVATION, SAFETY, OR ACCESSIBILITY.

15 (J) "QUALIFIED TAXPAYER" MEANS A PERSON THAT EITHER OWNS THE  
16 RESOURCE TO BE REHABILITATED OR HAS A LONG-TERM LEASE AGREEMENT  
17 WITH THE OWNER OF THE HISTORIC RESOURCE AND THAT HAS QUALIFIED  
18 EXPENDITURES FOR THE REHABILITATION OF THE HISTORIC RESOURCE EQUAL  
19 TO OR GREATER THAN 10% OF THE STATE EQUALIZED VALUATION OF THE  
20 PROPERTY. IF THE HISTORIC RESOURCE TO BE REHABILITATED IS A PORTION  
21 OF A HISTORIC OR NONHISTORIC RESOURCE, THE STATE EQUALIZED  
22 VALUATION OF ONLY THAT PORTION OF THE PROPERTY SHALL BE USED FOR  
23 PURPOSES OF THIS SUBDIVISION. IF THE ASSESSOR FOR THE LOCAL TAX  
24 COLLECTING UNIT IN WHICH THE HISTORIC RESOURCE IS LOCATED  
25 DETERMINES THE STATE EQUALIZED VALUATION OF THAT PORTION, THAT  
26 ASSESSOR'S DETERMINATION SHALL BE USED FOR PURPOSES OF THIS  
27 SUBDIVISION. IF THE ASSESSOR DOES NOT DETERMINE THAT STATE

1 EQUALIZED VALUATION OF THAT PORTION, QUALIFIED EXPENDITURES, FOR  
2 PURPOSES OF THIS SUBDIVISION, SHALL BE EQUAL TO OR GREATER THAN 5%  
3 OF THE APPRAISED VALUE AS DETERMINED BY A CERTIFIED APPRAISER. IF  
4 THE HISTORIC RESOURCE TO BE REHABILITATED DOES NOT HAVE A STATE  
5 EQUALIZED VALUATION, QUALIFIED EXPENDITURES FOR PURPOSES OF THIS  
6 SUBDIVISION SHALL BE EQUAL TO OR GREATER THAN 5% OF THE APPRAISED  
7 VALUE OF THE RESOURCE AS DETERMINED BY A CERTIFIED APPRAISER.

8 (K) "REHABILITATION PLAN" MEANS A PLAN FOR THE REHABILITATION  
9 OF A HISTORIC RESOURCE THAT MEETS THE FEDERAL SECRETARY OF THE  
10 INTERIOR'S STANDARDS FOR REHABILITATION AND GUIDELINES FOR  
11 REHABILITATION OF HISTORIC BUILDINGS UNDER 36 CFR PART 67.