

(6) A taxpayer that claims a credit under subsection (1) or section 37c or 37d of former 1975 PA 228, that has an agreement with the Michigan economic growth authority based on qualified new jobs as defined in section 3(n)(ii) of the Michigan economic growth authority act, 1995 PA 24, MCL 207.803, and that removes from this state 51% or more of those qualified new jobs within 3 years after the first year in which the taxpayer claims a credit described in this subsection shall pay to the department no later than 12 months after those qualified new jobs are removed from the state an amount equal to the total of all credits described in this subsection that were claimed by the taxpayer.

(7) If the Michigan economic growth authority or a designee of the Michigan economic growth authority requests that a taxpayer that claims the credit under this section get a statement prepared by a certified public accountant verifying that the actual number of new jobs created is the same number of new jobs used to calculate the credit under this section, the taxpayer shall get the statement and attach that statement to its annual return under this act on which the credit under this section is claimed.

(8) A credit shall not be claimed by a taxpayer under this section if the taxpayer's initial certification as required in subsection (3) is issued after December 31, 2013.

(9) For purposes of this section, taxpayer includes a person subject to the tax imposed under chapters 2A and 2B.

(10) As used in this section:

(a) "Authorized business", "facility", "full-time job", "qualified high-technology business", and "written agreement" mean those terms as defined in the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(b) "Eligible taxpayer" means an authorized business that meets the criteria under section 8(5) of the Michigan economic growth authority act, 1995 PA 24, MCL 207.808.

(c) "Michigan economic growth authority" means the Michigan economic growth authority created in the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(d) "Payroll" means the total salaries and wages before deducting any personal or dependency exemptions.

(e) "Qualified new jobs" means 1 or more of the following:

(i) The average number of full-time jobs at a facility of an authorized business for a tax year in excess of the average number of full-time jobs the authorized business maintained in this state prior to the expansion or location as that is determined under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(ii) The average number of full-time jobs at a facility created by an eligible business within 120 days before becoming an authorized business that is in excess of the average number of full-time jobs that the business maintained in this state 120 days before becoming an authorized business, as determined under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) "Tax rate" means the rate imposed under section 51e of the income tax act of 1967, 1967 PA 281, MCL 206.51e, for the tax year in which the tax year of the taxpayer for which the credit is being computed begins.

208.1433 Business located in renaissance zone; tax credit; tax liability attributable to illegal activity; duration of credit; refund; employment or compensation to state employee member of state administrative board or renaissance zone review board prohibited; filing of annual return; business activity related to casino; definitions.

Sec. 433. (1) A taxpayer that is a business located and conducting business activity within a renaissance zone may claim a credit against the tax imposed by this act for the tax year

to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, equal to the lesser of the following:

(a) The tax liability attributable to business activity conducted within a renaissance zone in the tax year.

(b) Ten percent of adjusted services performed in a designated renaissance zone.

(c) For a taxpayer located and conducting business activity in a renaissance zone before December 31, 2002, the product of the following:

(i) The credit claimed under section 39b of former 1975 PA 228 for the tax year ending in 2007.

(ii) The ratio of the taxpayer's payroll in this state in the tax year divided by the taxpayer's payroll in this state in its tax year ending in 2007 under former 1975 PA 228.

(iii) The ratio of the taxpayer's renaissance zone business activity factor for the tax year divided by the taxpayer's renaissance zone business activity factor for its tax year ending in 2007 under section 39b of former 1975 PA 228.

(2) Any portion of the taxpayer's tax liability that is attributable to illegal activity conducted in the renaissance zone shall not be used to calculate a credit under this section.

(3) The credit allowed under this section continues through the tax year in which the renaissance zone designation expires.

(4) If the amount of the credit allowed under this section exceeds the tax liability of the taxpayer for the tax year, that portion of the credit that exceeds the tax liability shall not be refunded.

(5) A taxpayer that claims a credit under this section shall not employ, pay a speaker fee to, or provide any remuneration, compensation, or consideration to any person employed by the state, the state administrative board created in 1921 PA 2, MCL 17.1 to 17.3, or the renaissance zone review board created in 1996 PA 376, MCL 125.2681 to 125.2696, whose employment relates or related in any way to the authorization or enforcement of the credit allowed under this section for any year in which the taxpayer claims a credit under this section and for the 3 years after the last year that a credit is claimed.

(6) To be eligible for the credit allowed under this section, an otherwise qualified taxpayer shall file an annual return under this act in a format determined by the department.

(7) Any portion of the taxpayer's tax liability that is attributable to business activity related to the operation of a casino, and business activity that is associated or affiliated with the operation of a casino, including, but not limited to, the operation of a parking lot, hotel, motel, or retail store, shall not be used to calculate a credit under this section.

(8) As used in this section:

(a) "Adjusted services performed in a designated renaissance zone" means either of the following:

(i) Except as provided in subparagraph (ii), the sum of the taxpayer's payroll for services performed in a designated renaissance zone plus an amount equal to the amount deducted in arriving at federal taxable income for the tax year for depreciation, amortization, or immediate or accelerated write-off for tangible property exempt under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, in the tax year or, for new property, in the immediately following tax year.

(ii) For a partnership, limited liability company, S corporation, or individual, the amount determined under subparagraph (i) plus the product of the following as related to the taxpayer if greater than zero:

(A) Business income.

(B) The ratio of the taxpayer's total sales in this state during the tax year divided by the taxpayer's total sales everywhere during the tax year.

(C) The renaissance zone business activity factor.

(b) "Casino" means a casino regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

(c) "New property" means property that has not been subject to, or exempt from, the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, and has not been subject to, or exempt from, ad valorem property taxes levied in another state, except that receiving an exemption as inventory property does not disqualify property.

(d) "Payroll" means total salaries and wages before deducting any personal or dependency exemptions.

(e) "Renaissance zone" means that term as defined in the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(f) "Renaissance zone business activity factor" means a fraction, the numerator of which is the ratio of the average value of the taxpayer's property located in a designated renaissance zone to the average value of the taxpayer's property in this state plus the ratio of the taxpayer's payroll for services performed in a designated renaissance zone to all of the taxpayer's payroll in this state and the denominator of which is 2.

(g) "Tax liability attributable to business activity conducted within a renaissance zone" means the taxpayer's tax liability multiplied by the renaissance zone business activity factor.

208.1435 Rehabilitation of historic resource; tax credit.

Sec. 435. (1) A qualified taxpayer with a rehabilitation plan certified after December 31, 2007 or a qualified taxpayer that has a rehabilitation plan certified before January 1, 2008 under section 39c of former 1975 PA 228 for the rehabilitation of an historic resource for which a certification of completed rehabilitation has been issued after the end of the taxpayer's last tax year may credit against the tax imposed by this act the amount determined pursuant to subsection (2) for the qualified expenditures for the rehabilitation of an historic resource pursuant to the rehabilitation plan in the year in which the certification of completed rehabilitation of the historic resource is issued provided that the certification of completed rehabilitation was issued not more than 5 years after the rehabilitation plan was certified by the Michigan historical center.

(2) The credit allowed under this section shall be 25% of the qualified expenditures that are eligible for the credit under section 47(a)(2) of the internal revenue code if the taxpayer is eligible for the credit under section 47(a)(2) of the internal revenue code or, if the taxpayer is not eligible for the credit under section 47(a)(2) of the internal revenue code, 25% of the qualified expenditures that would qualify under section 47(a)(2) of the internal revenue code except that the expenditures are made to an historic resource that is not eligible for the credit under section 47(a)(2) of the internal revenue code, subject to both of the following:

(a) A taxpayer with qualified expenditures that are eligible for the credit under section 47(a)(2) of the internal revenue code may not claim a credit under this section for those qualified expenditures unless the taxpayer has claimed and received a credit for those qualified expenditures under section 47(a)(2) of the internal revenue code.

(b) A credit under this section shall be reduced by the amount of a credit received by the taxpayer for the same qualified expenditures under section 47(a)(2) of the internal revenue code.

(3) To be eligible for the credit under this section, the taxpayer shall apply to and receive from the Michigan historical center certification that the historic significance, the rehabilitation plan, and the completed rehabilitation of the historic resource meet the criteria under subsection (6) and either of the following:

(a) All of the following criteria:

(i) The historic resource contributes to the significance of the historic district in which it is located.

(ii) Both the rehabilitation plan and completed rehabilitation of the historic resource meet the federal secretary of the interior's standards for rehabilitation and guidelines for rehabilitating historic buildings, 36 CFR part 67.

(iii) All rehabilitation work has been done to or within the walls, boundaries, or structures of the historic resource or to historic resources located within the property boundaries of the property.

(b) The taxpayer has received certification from the national park service that the historic resource's significance, the rehabilitation plan, and the completed rehabilitation qualify for the credit allowed under section 47(a)(2) of the internal revenue code.

(4) If a qualified taxpayer is eligible for the credit allowed under section 47(a)(2) of the internal revenue code, the qualified taxpayer shall file for certification with the center to qualify for the credit allowed under section 47(a)(2) of the internal revenue code. If the qualified taxpayer has previously filed for certification with the center to qualify for the credit allowed under section 47(a)(2) of the internal revenue code, additional filing for the credit allowed under this section is not required.

(5) The center may inspect an historic resource at any time during the rehabilitation process and may revoke certification of completed rehabilitation if the rehabilitation was not undertaken as represented in the rehabilitation plan or if unapproved alterations to the completed rehabilitation are made during the 5 years after the tax year in which the credit was claimed. The center shall promptly notify the department of a revocation.

(6) Qualified expenditures for the rehabilitation of an historic resource may be used to calculate the credit under this section if the historic resource meets 1 of the criteria listed in subdivision (a) and 1 of the criteria listed in subdivision (b):

(a) The resource is 1 of the following during the tax year in which a credit under this section is claimed for those qualified expenditures:

(i) Individually listed on the national register of historic places or state register of historic sites.

(ii) A contributing resource located within an historic district listed on the national register of historic places or the state register of historic sites.

(iii) A contributing resource located within an historic district designated by a local unit pursuant to an ordinance adopted under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215.

(b) The resource meets 1 of the following criteria during the tax year in which a credit under this section is claimed for those qualified expenditures:

(i) The historic resource is located in a designated historic district in a local unit of government with an existing ordinance under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215.

(ii) The historic resource is located in an incorporated local unit of government that does not have an ordinance under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, and has a population of less than 5,000.

(iii) The historic resource is located in an unincorporated local unit of government.

(iv) The historic resource is located in an incorporated local unit of government that does not have an ordinance under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, and is located within the boundaries of an association that has been chartered under 1889 PA 39, MCL 455.51 to 455.72.

(7) If a qualified taxpayer is a partnership, limited liability company, or subchapter S corporation, the qualified taxpayer may assign all or any portion of a credit allowed under this section to its partners, members, or shareholders, based on the partner's, member's, or shareholder's proportionate share of ownership or based on an alternative method approved by the department. A credit assignment under this subsection is irrevocable and shall be made in the tax year in which a certificate of completed rehabilitation is issued. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. A partner, member, or shareholder that is an assignee shall not subsequently assign a credit or any portion of a credit assigned to the partner, member, or shareholder under this subsection. A credit amount assigned under this subsection may be claimed against the partner's, member's, or shareholder's tax liability under this act or under the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532. A credit assignment under this subsection shall be made on a form prescribed by the department. The qualified taxpayer and assignees shall send a copy of the completed assignment form to the department in the tax year in which the assignment is made and attach a copy of the completed assignment form to the annual return required to be filed under this act for that tax year.

(8) If the credit allowed under this section for the tax year and any unused carryforward of the credit allowed by this section exceed the taxpayer's tax liability for the tax year, that portion that exceeds the tax liability for the tax year shall not be refunded but may be carried forward to offset tax liability in subsequent tax years for 10 years or until used up, whichever occurs first. An unused carryforward of a credit under section 39c of former 1975 PA 228 that was unused at the end of the last tax year for which former 1975 PA 228 was in effect may be claimed against the tax imposed under this act for the years the carryforward would have been available under section 39c of former 1975 PA 228.

(9) If the taxpayer sells an historic resource for which a credit was claimed under this section or under section 39c of former 1975 PA 228 less than 5 years after the year in which the credit was claimed, the following percentage of the credit amount previously claimed relative to that historic resource shall be added back to the tax liability of the taxpayer in the year of the sale:

(a) If the sale is less than 1 year after the year in which the credit was claimed, 100%.

(b) If the sale is at least 1 year but less than 2 years after the year in which the credit was claimed, 80%.

(c) If the sale is at least 2 years but less than 3 years after the year in which the credit was claimed, 60%.

(d) If the sale is at least 3 years but less than 4 years after the year in which the credit was claimed, 40%.

(e) If the sale is at least 4 years but less than 5 years after the year in which the credit was claimed, 20%.

(f) If the sale is 5 years or more after the year in which the credit was claimed, an addback to the taxpayer's tax liability shall not be made.

(10) If a certification of completed rehabilitation is revoked under subsection (5) less than 5 years after the year in which a credit was claimed under this section or under section 39c of former 1975 PA 228, the following percentage of the credit amount previously claimed

relative to that historic resource shall be added back to the tax liability of the taxpayer in the year of the revocation:

(a) If the revocation is less than 1 year after the year in which the credit was claimed, 100%.

(b) If the revocation is at least 1 year but less than 2 years after the year in which the credit was claimed, 80%.

(c) If the revocation is at least 2 years but less than 3 years after the year in which the credit was claimed, 60%.

(d) If the revocation is at least 3 years but less than 4 years after the year in which the credit was claimed, 40%.

(e) If the revocation is at least 4 years but less than 5 years after the year in which the credit was claimed, 20%.

(f) If the revocation is 5 years or more after the year in which the credit was claimed, an addback to the taxpayer's tax liability shall not be made.

(11) The department of history, arts, and libraries through the Michigan historical center may impose a fee to cover the administrative cost of implementing the program under this section.

(12) The qualified taxpayer shall attach all of the following to the qualified taxpayer's annual return required under this act or under the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532, if applicable, on which the credit is claimed:

(a) Certification of completed rehabilitation.

(b) Certification of historic significance related to the historic resource and the qualified expenditures used to claim a credit under this section.

(c) A completed assignment form if the qualified taxpayer has assigned any portion of a credit allowed under this section to a partner, member, or shareholder or if the taxpayer is an assignee of any portion of a credit allowed under this section.

(13) The department of history, arts, and libraries shall promulgate rules to implement this section pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(14) The total of the credits claimed under this section and section 266 of the income tax act of 1967, 1967 PA 281, MCL 206.266, for a rehabilitation project shall not exceed 25% of the total qualified expenditures eligible for the credit under this section for that rehabilitation project.

(15) The department of history, arts, and libraries through the Michigan historical center shall report all of the following to the legislature annually for the immediately preceding state fiscal year:

(a) The fee schedule used by the center and the total amount of fees collected.

(b) A description of each rehabilitation project certified.

(c) The location of each new and ongoing rehabilitation project.

(16) For purposes of this section, taxpayer includes a person subject to the tax imposed under chapter 2B.

(17) As used in this section:

(a) "Contributing resource" means an historic resource that contributes to the significance of the historic district in which it is located.

(b) “Historic district” means an area, or group of areas not necessarily having contiguous boundaries, that contains 1 resource or a group of resources that are related by history, architecture, archaeology, engineering, or culture.

(c) “Historic resource” means a publicly or privately owned historic building, structure, site, object, feature, or open space located within an historic district designated by the national register of historic places, the state register of historic sites, or a local unit acting under the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, or that is individually listed on the state register of historic sites or national register of historic places, and includes all of the following:

(i) An owner-occupied personal residence or an historic resource located within the property boundaries of that personal residence.

(ii) An income-producing commercial, industrial, or residential resource or an historic resource located within the property boundaries of that resource.

(iii) A resource owned by a governmental body, nonprofit organization, or tax-exempt entity that is used primarily by a taxpayer lessee in a trade or business unrelated to the governmental body, nonprofit organization, or tax-exempt entity and that is subject to tax under this act.

(iv) A resource that is occupied or utilized by a governmental body, nonprofit organization, or tax-exempt entity pursuant to a long-term lease or lease with option to buy agreement.

(v) Any other resource that could benefit from rehabilitation.

(d) “Last tax year” means the taxpayer’s tax year under former 1975 PA 228 that begins after December 31, 2006 and before January 1, 2008.

(e) “Local unit” means a county, city, village, or township.

(f) “Long-term lease” means a lease term of at least 27.5 years for a residential resource or at least 31.5 years for a nonresidential resource.

(g) “Michigan historical center” or “center” means the state historic preservation office of the Michigan historical center of the department of history, arts, and libraries or its successor agency.

(h) “Open space” means undeveloped land, a naturally landscaped area, or a formal or man-made landscaped area that provides a connective link or a buffer between other resources.

(i) “Person” means an individual, partnership, corporation, association, governmental entity, or other legal entity.

(j) “Qualified expenditures” means capital expenditures that qualify for a rehabilitation credit under section 47(a)(2) of the internal revenue code if the taxpayer is eligible for the credit under section 47(a)(2) of the internal revenue code or, if the taxpayer is not eligible for the credit under section 47(a)(2) of the internal revenue code, the qualified expenditures that would qualify under section 47(a)(2) of the internal revenue code except that the expenditures are made to an historic resource that is not eligible for the credit under section 47(a)(2) of the internal revenue code that were paid not more than 5 years after the certification of the rehabilitation plan that included those expenditures was approved by the center, and that were paid after December 31, 1998 for the rehabilitation of an historic resource. Qualified expenditures do not include capital expenditures for nonhistoric additions to an historic resource except an addition that is required by state or federal regulations that relate to historic preservation, safety, or accessibility.

(k) “Qualified taxpayer” means a person that is an assignee under subsection (7) or either owns the resource to be rehabilitated or has a long-term lease agreement with the owner of the historic resource and that has qualified expenditures for the rehabilitation of the historic

resource equal to or greater than 10% of the state equalized valuation of the property. If the historic resource to be rehabilitated is a portion of an historic or nonhistoric resource, the state equalized valuation of only that portion of the property shall be used for purposes of this subdivision. If the assessor for the local tax collecting unit in which the historic resource is located determines the state equalized valuation of that portion, that assessor's determination shall be used for purposes of this subdivision. If the assessor does not determine that state equalized valuation of that portion, qualified expenditures, for purposes of this subdivision, shall be equal to or greater than 5% of the appraised value as determined by a certified appraiser. If the historic resource to be rehabilitated does not have a state equalized valuation, qualified expenditures for purposes of this subdivision shall be equal to or greater than 5% of the appraised value of the resource as determined by a certified appraiser.

(l) "Rehabilitation plan" means a plan for the rehabilitation of an historic resource that meets the federal secretary of the interior's standards for rehabilitation and guidelines for rehabilitation of historic buildings under 36 CFR part 67.

208.1437 Qualified taxpayer with unused credits or preapproval letter; taxpayer not receiving certificate of approval; tax credit; project \$2,000,000.00 or less; project more than \$2,000,000.00 but \$10,000,000.00 or less; project more than \$10,000,000.00; procedures for application to Michigan economic growth authority; functionally obsolete property; approval of projects; limitations; multiphase project; documentation of completed project; addition of personal property; credit assignment; other credits; professional sports stadiums; casinos; landfills; report; definitions.

Sec. 437. (1) Subject to the criteria under this section, a qualified taxpayer that has unused credits or has a preapproval letter issued after December 31, 2007 and before January 1, 2013, or a taxpayer that received a preapproval letter prior to January 1, 2008 under section 38g of former 1975 PA 228 and has not received a certificate of completion prior to the taxpayer's last tax year, provided that the project is completed not more than 5 years after the preapproval letter for the project is issued, or an assignee under subsection (20), (21), or (22) may claim a credit that has been approved under section 38g of former 1975 PA 228 or under subsection (2), (3), or (4) against the tax imposed by this act equal to either of the following:

(a) If the total of all credits for a project is \$1,000,000.00 or less, 10% of the cost of the qualified taxpayer's eligible investment paid or accrued by the qualified taxpayer on an eligible property provided that the project does not exceed the amount stated in the preapproval letter. If eligible investment exceeds the amount of eligible investment in the preapproval letter for that project, the total of all credits for the project shall not exceed the total of all credits on the certificate of completion.

(b) If the total of all credits for a project is more than \$1,000,000.00 but \$30,000,000.00 or less and, except as provided in subsection (6)(b), the project is located in a qualified local governmental unit, a percentage as determined by the Michigan economic growth authority not to exceed 10% of the cost of the qualified taxpayer's eligible investment as determined under subsection (9) paid or accrued by the qualified taxpayer on an eligible property. If eligible investment exceeds the amount of eligible investment in the preapproval letter for that project, the total of all credits for the project shall not exceed the total of all credits on the certificate of completion.

(2) If the cost of a project will be \$2,000,000.00 or less, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the project under this subsection. An application under this subsection shall state whether the project is a multiphase project.

The chairperson of the Michigan economic growth authority or his or her designee is authorized to approve an application or project under this subsection. Only the chairperson of the Michigan economic growth authority is authorized to deny an application or project under this subsection. A project shall be approved or denied not more than 45 days after receipt of the application. If the chairperson of the Michigan economic growth authority or his or her designee does not approve or deny the application within 45 days after the application is received by the Michigan economic growth authority, the application is considered approved as written. The total of all credits for all projects approved under this subsection shall not exceed \$10,000,000.00 in any calendar year. If the chairperson of the Michigan economic growth authority or his or her designee approves a project under this subsection, the chairperson of the Michigan economic growth authority or his or her designee shall issue a preapproval letter that states that the taxpayer is a qualified taxpayer; the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection for the same project or for another project. If the authority approves a total of all credits for all projects under this subsection of less than \$10,000,000.00 in a calendar year, the authority may carry forward for 1 year only the difference between \$10,000,000.00 and the total of all credits for all projects under this subsection approved in the immediately preceding calendar year. The Michigan economic growth authority shall develop and implement the use of the application form to be used for projects under this subsection. Before the Michigan economic growth authority substantially changes the form, the Michigan economic growth authority shall adopt the changes by resolution and give notice of the proposed resolution to the secretary of the senate, to the clerk of the house of representatives, and to each person who requested from the Michigan economic growth authority in writing or electronically to be notified regarding proposed resolutions. The notice and proposed resolution and all attachments shall be published on the Michigan economic growth authority's internet website. The Michigan economic growth authority shall hold a public hearing not sooner than 14 days and not later than 30 days after the date notice of a proposed resolution is given and offer an opportunity for persons to present data, views, questions, and arguments. The Michigan economic growth authority board members or 1 or more persons designated by the Michigan economic growth authority who have knowledge of the subject matter of the proposed resolution shall be present at the public hearing and shall participate in the discussion of the proposed resolution. The Michigan economic growth authority may act on the proposed resolution no sooner than 14 days after the public hearing. The Michigan economic growth authority shall produce a final decision document that describes the basis for its decision. The final resolution and all attachments and the decision document shall be provided to the secretary of the senate and to the clerk of the house of representatives and shall be published on the Michigan economic growth authority's internet website. The notice shall include all of the following:

- (a) A copy of the proposed resolution and all attachments.
 - (b) A statement that any person may express any data, views, or arguments regarding the proposed resolution.
 - (c) The address to which written comments may be sent and the date by which comments must be mailed or electronically transmitted, which date shall not be restricted to only before the date of the public hearing.
 - (d) The date, time, and place of the public hearing.
- (3) If the cost of a project will be for more than \$2,000,000.00 but \$10,000,000.00 or less, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the

project under this subsection. An application under this subsection shall state whether the project is a multiphase project. The chairperson of the Michigan economic growth authority or his or her designee is authorized to approve an application or project under this subsection. Only the chairperson of the Michigan economic growth authority is authorized to deny an application or project under this subsection. A project shall be approved or denied not more than 45 days after receipt of the application. If the chairperson of the Michigan economic growth authority or his or her designee does not approve or deny an application within 45 days after the application is received by the Michigan economic growth authority, the application is considered approved as written. The total of all credits for all projects approved under this subsection shall not exceed \$30,000,000.00 in any calendar year. If the authority approves a total of all credits for all projects under this subsection of less than \$30,000,000.00 in a calendar year, the authority may carry forward for 1 year only the difference between \$30,000,000.00 and the total of all credits for all projects approved under this subsection in the immediately preceding calendar year. The criteria in subsection (7) shall be used when approving projects under this subsection. When approving projects under this subsection, priority shall be given to projects on a facility. The total of all credits for an approved project under this subsection shall not exceed \$1,000,000.00. A taxpayer may apply under this subsection instead of subsection (4) for approval of a project that will be for more than \$10,000,000.00, but the total of all credits for that project shall not exceed \$1,000,000.00. If the chairperson of the Michigan economic growth authority or his or her designee approves a project under this subsection, the chairperson of the Michigan economic growth authority or his or her designee shall issue a preapproval letter that states that the taxpayer is a qualified taxpayer; the maximum total eligible investment for the project on which credits may be claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection or subsection (4) for the same project or for another project.

(4) If the cost of a project will be for more than \$10,000,000.00 and, except as provided in subsection (6)(b), the project is located in a qualified local governmental unit, a qualified taxpayer shall apply to the Michigan economic growth authority for approval of the project. An application under this subsection shall state whether the project is a multiphase project. The Michigan economic growth authority shall approve or deny the project not more than 65 days after receipt of the application. A project under this subsection shall not be approved without the concurrence of the state treasurer. If the Michigan economic growth authority does not approve or deny the application within 65 days after it receives the application, the Michigan economic growth authority shall send the application to the state treasurer. The state treasurer shall approve or deny the application within 5 days after receipt of the application. If the state treasurer does not deny the application within 5 days after receipt of the application, the application is considered approved. The Michigan economic growth authority shall approve a limited number of projects under this subsection during each calendar year as provided in subsection (6). The Michigan economic growth authority shall use the criteria in subsection (7) when approving projects under this subsection, when determining the total amount of eligible investment, and when determining the percentage of eligible investment for the project to be used to calculate a credit. The total of all credits for an approved project under this subsection shall not exceed the amount designated in the preapproval letter for that project. If the Michigan economic growth authority approves a project under this subsection, the Michigan economic growth authority shall issue a preapproval letter that states that the taxpayer is a qualified taxpayer; the percentage of eligible investment for the project determined by the Michigan economic growth authority for purposes of subsection (1)(b); the maximum total eligible investment for the project on which credits may be

claimed and the maximum total of all credits for the project when the project is completed and a certificate of completion is issued; and the project number assigned by the Michigan economic growth authority. The Michigan economic growth authority shall send a copy of the preapproval letter to the department. If a project is denied under this subsection, a taxpayer is not prohibited from subsequently applying under this subsection or subsection (3) for the same project or for another project.

(5) If the project is on property that is functionally obsolete, the taxpayer shall include with the application an affidavit signed by a level 3 or level 4 assessor, that states that it is the assessor's expert opinion that the property is functionally obsolete and the underlying basis for that opinion.

(6) The Michigan economic growth authority may approve not more than 17 projects each calendar year under subsection (4), and the following limitations apply:

(a) Of the 17 projects allowed under this subsection, the total of all credits for each project may be more than \$10,000,000.00 but \$30,000,000.00 or less for up to 2 projects.

(b) Of the 17 projects allowed under this subsection, up to 3 projects may be approved for projects that are not in a qualified local governmental unit if the property is a facility for which eligible activities are identified in a brownfield plan or, for 1 of the 3 projects, if the property is not a facility but is functionally obsolete or blighted, property identified in a brownfield plan. For purposes of this subdivision, a facility includes a building or complex of buildings that was used by a state or federal agency and that is no longer being used for the purpose for which it was used by the state or federal agency.

(c) Of the 2 projects allowed under subdivision (a), 1 may be a project that also qualifies under subdivision (b).

(7) The Michigan economic growth authority shall review all applications for projects under subsection (4) and, if an application is approved, shall determine the maximum total of all credits for that project. Before approving a project for which the total of all credits will be more than \$10,000,000.00 but \$30,000,000.00 or less only, the Michigan economic growth authority shall determine that the project would not occur in this state without the tax credit offered under subsection (4). The Michigan economic growth authority shall consider the following criteria to the extent reasonably applicable to the type of project proposed when approving a project under subsection (4), and the chairperson of the Michigan economic growth authority or his or her designee shall consider the following criteria to the extent reasonably applicable to the type of project proposed when approving a project under subsection (2) or (3) or when considering an amendment to a project under subsection (9):

(a) The overall benefit to the public.

(b) The extent of reuse of vacant buildings and redevelopment of blighted property.

(c) Creation of jobs.

(d) Whether the eligible property is in an area of high unemployment.

(e) The level and extent of contamination alleviated by the qualified taxpayer's eligible activities to the extent known to the qualified taxpayer.

(f) The level of private sector contribution.

(g) The cost gap that exists between the site and a similar greenfield site as determined by the Michigan economic growth authority.

(h) If the qualified taxpayer is moving from another location in this state, whether the move will create a brownfield.

(i) Whether the financial statements of the qualified taxpayer indicate that it is financially sound and that the project is economically sound.

(j) Any other criteria that the Michigan economic growth authority or the chairperson of the Michigan economic growth authority, as applicable, considers appropriate for the determination of eligibility under subsection (3) or (4).

(8) A qualified taxpayer may apply for projects under this section for eligible investment on more than 1 eligible property in a tax year. Each project approved and each project for which a certificate of completion is issued under this section shall be for eligible investment on 1 eligible property.

(9) If, after a taxpayer's project has been approved and the taxpayer has received a preapproval letter but before the project is completed, the taxpayer determines that the project cannot be completed as preapproved, the taxpayer may petition the Michigan economic growth authority to amend the project. The total of eligible investment for the project as amended shall not exceed the amount allowed in the preapproval letter for that project.

(10) A project may be a multiphase project. If a project is a multiphase project, when each component of the multiphase project is completed, the taxpayer shall submit documentation that the component is complete, an accounting of the cost of the component, and the eligible investment for the component of each taxpayer eligible for a credit for the project of which the component is a part to the Michigan economic growth authority or the designee of the Michigan economic growth authority, who shall verify that the component is complete. When the completion of the component is verified, a component completion certificate shall be issued to the qualified taxpayer which shall state that the taxpayer is a qualified taxpayer, the credit amount for the component, the qualified taxpayer's federal employer identification number or the Michigan treasury number assigned to the taxpayer, and the project number. The taxpayer may assign all or part of the credit for a multiphase project as provided in this section after a component completion certificate for a component is issued. The qualified taxpayer may transfer ownership of or lease the completed component and assign a proportionate share of the credit for the entire project to the qualified taxpayer that is the new owner or lessee. A multiphase project shall not be divided into more than 20 components. A component is considered to be completed when a certificate of occupancy has been issued by the local municipality in which the project is located for all of the buildings or facilities that comprise the completed component and a component completion certificate is issued. A credit assigned based on a multiphase project shall be claimed by the assignee in the tax year in which the assignment is made. The total of all credits for a multiphase project shall not exceed the amount stated in the preapproval letter for the project under subsection (1). If all components of a multiphase project are not completed by 10 years after the date on which the preapproval letter for the project was issued, the qualified taxpayer that received the preapproval letter for the project shall pay to the state treasurer, as a penalty, an amount equal to the sum of all credits claimed and assigned for all components of the multiphase project and no credits based on that multiphase project shall be claimed after that date by the qualified taxpayer or any assignee of the qualified taxpayer. The penalty under this subsection is subject to interest on the amount of the credit claimed or assigned determined individually for each component at the rate in section 23(2) of 1941 PA 122, MCL 205.23, beginning on the date that the credit for that component was claimed or assigned. As used in this subsection, "proportionate share" means the same percentage of the total of all credits for the project that the qualified investment for the completed component is of the total qualified investment stated in the preapproval letter for the entire project.

(11) When a project under this section is completed, the taxpayer shall submit documentation that the project is completed, an accounting of the cost of the project, the eligible investment of each taxpayer if there is more than 1 taxpayer eligible for a credit for the project, and, if the taxpayer is not the owner or lessee of the eligible property on which the eligible investment was made at the time the project is completed, that the taxpayer was

the owner or lessee of that eligible property when all eligible investment of the taxpayer was made. The chairperson of the Michigan economic growth authority or his or her designee, for projects approved under subsection (2) or (3), or the Michigan economic growth authority, for projects approved under subsection (4), shall verify that the project is completed. The Michigan economic growth authority shall conduct an on-site inspection as part of the verification process for projects approved under subsection (4). When the completion of the project is verified, a certificate of completion shall be issued to each qualified taxpayer that has made eligible investment on that eligible property. The certificate of completion shall state the total amount of all credits for the project and that total shall not exceed the maximum total of all credits listed in the preapproval letter for the project under subsection (2), (3), or (4) as applicable and shall state all of the following:

(a) That the taxpayer is a qualified taxpayer.

(b) The total cost of the project and the eligible investment of each qualified taxpayer.

(c) Each qualified taxpayer's credit amount.

(d) The qualified taxpayer's federal employer identification number or the Michigan treasury number assigned to the taxpayer.

(e) The project number.

(f) For a project approved under subsection (4) for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, the total of all credits and the schedule on which the annual credit amount shall be claimed by the qualified taxpayer.

(g) For a multiphase project under subsection (10), the amount of each credit assigned and the amount of all credits claimed in each tax year before the year in which the project is completed.

(12) Except as otherwise provided in this section, qualified taxpayers shall claim credits under this section in the tax year in which the certificate of completion is issued. For a project approved under subsection (4) for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, the qualified taxpayer shall claim 10% of its approved credit each year for 10 years. A credit assigned based on a multiphase project shall be claimed in the year in which the credit is assigned.

(13) The cost of eligible investment for leased machinery, equipment, or fixtures is the cost of that property had the property been purchased minus the lessor's estimate, made at the time the lease is entered into, of the market value the property will have at the end of the lease. A credit for property described in this subsection is allowed only if the cost of that property had the property been purchased and the lessor's estimate of the market value at the end of the lease are provided to the Michigan economic growth authority.

(14) Credits claimed by a lessee of eligible property are subject to the total of all credits limitation under this section.

(15) Each qualified taxpayer and assignee under subsection (20), (21), or (22) that claims a credit under this section shall attach a copy of the certificate of completion and, if the credit was assigned, a copy of the assignment form provided for under this section to the annual return filed under this act on which the credit under this section is claimed. An assignee of a credit based on a multiphase project shall attach a copy of the assignment form provided for under this section and the component completion certificate provided for in subsection (10) to the annual return filed under this act on which the credit is claimed but is not required to file a copy of a certificate of completion.

(16) Except as otherwise provided in this subsection or subsection (10), (18), (20), (21), or (22), a credit under this section shall be claimed in the tax year in which the certificate of completion is issued to the qualified taxpayer. For a project described in subsection (11)(f)

for which a schedule for claiming annual credit amounts is designated on the certificate of completion by the Michigan economic growth authority, the annual credit amount shall be claimed in the tax year specified on the certificate of completion.

(17) The credits approved under this section shall be calculated after application of all other credits allowed under this act. The credits under this section shall be calculated before the calculation of the credit under section 431.

(18) If the credit allowed under this section for the tax year and any unused carryforward of the credit allowed under this section exceed the qualified taxpayer's or assignee's tax liability for the tax year, that portion that exceeds the tax liability for the tax year shall not be refunded but may be carried forward to offset tax liability in subsequent tax years for 10 years or until used up, whichever occurs first. Except as otherwise provided in this subsection, the maximum time allowed under the carryforward provisions under this subsection begins with the tax year in which the certificate of completion is issued to the qualified taxpayer. If the qualified taxpayer assigns all or any portion of its credit approved under this section, the maximum time allowed under the carryforward provisions for an assignee begins to run with the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year. The maximum time allowed under the carryforward provisions for an annual credit amount for a credit allowed under subsection (4) begins to run in the tax year for which the annual credit amount is designated on the certificate of completion issued under this section. A credit carryforward available under section 38g of former 1975 PA 228 that is unused at the end of the last tax year may be claimed against the tax imposed under act for the years the carryforward would have been available under former 1975 PA 228.

(19) If a project or credit under this section is for the addition of personal property, if the cost of that personal property is used to calculate a credit under this section, and if the personal property is sold to a purchaser other than an assignee under subsection (20) or disposed of or transferred from eligible property to any other location, the qualified taxpayer that sold, disposed of, or transferred the personal property shall add the same percentage as determined under subsection (1) of the federal basis of the personal property used for determining gain or loss as of the date of the sale, disposition, or transfer to the qualified taxpayer's tax liability under this act after application of all credits under this act for the tax year in which the sale, disposition, or transfer occurs. If a qualified taxpayer has an unused carryforward of a credit under this section, the amount otherwise added under this subsection to the qualified taxpayer's tax liability may instead be used to reduce the qualified taxpayer's carryforward under subsection (18).

(20) For credits under this section for projects for which a certificate of completion is issued before January 1, 2006 and except as otherwise provided in this subsection, if a qualified taxpayer pays or accrues eligible investment on or to an eligible property that is leased for a minimum term of 10 years or sold to another taxpayer for use in a business activity, the qualified taxpayer may assign all or a portion of the credit under this section based on that eligible investment to the lessee or purchaser of that eligible property. A credit assignment under this subsection shall only be made to a taxpayer that when the assignment is complete will be a qualified taxpayer. All credit assignments under this subsection are irrevocable and, except for a credit based on a multiphase project, shall be made in the tax year in which the certificate of completion is issued, unless the assignee is an unknown lessee. If a qualified taxpayer wishes to assign all or a portion of its credit to a lessee but the lessee is unknown in the tax year in which the certificate of completion is issued, the qualified taxpayer may delay claiming and assigning the credit until the first tax year in which the lessee is known. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. Except as otherwise provided in this subsection, if the qualified

taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which the certificate of completion is issued or, for a credit assigned and claimed for a multiphase project before a certificate of completion is issued, the taxpayer shall claim the credit in the year in which the credit is assigned. If a qualified taxpayer assigns all or a portion of the credit and the eligible property is leased to more than 1 taxpayer, the qualified taxpayer shall determine the amount of credit assigned to each lessee. A lessee shall not subsequently assign a credit or any portion of a credit assigned under this subsection. A purchaser may subsequently assign a credit or any portion of a credit assigned to the purchaser under this subsection to a lessee of the eligible property. The credit assignment under this subsection shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which the assignment is made. The assignee shall attach a copy of the completed assignment form to its annual return required to be filed under this act, for the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year. In addition to all other procedures under this subsection, the following apply if the total of all credits for a project is more than \$10,000,000.00 but \$30,000,000.00 or less:

(a) The credit shall be assigned based on the schedule contained in the certificate of completion.

(b) If the qualified taxpayer assigns all or a portion of the credit amount, the qualified taxpayer shall assign the annual credit amount for each tax year separately.

(c) More than 1 annual credit amount may be assigned to any 1 assignee and the qualified taxpayer may assign all or a portion of each annual credit amount to any assignee.

(d) The qualified taxpayer shall not assign more than the annual credit amount for each tax year.

(21) Except as otherwise provided in this subsection, for projects for which a certificate of completion is issued before January 1, 2006, and except as otherwise provided in this subsection, if a qualified taxpayer is a partnership, limited liability company, or subchapter S corporation, the qualified taxpayer may assign all or a portion of a credit under this section to its partners, members, or shareholders, based on their proportionate share of ownership of the partnership, limited liability company, or subchapter S corporation or based on an alternative method approved by the Michigan economic growth authority. A credit assignment under this subsection is irrevocable and, except for a credit assignment based on a multiphase project, shall be made in the tax year in which a certificate of completion is issued. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. Except as otherwise provided in this subsection, if the qualified taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which a certificate of completion is issued or for a credit assigned and claimed for a multiphase project, before the component completion certificate is issued, the taxpayer shall claim the credit in the year in which the credit is assigned. A partner, member, or shareholder that is an assignee shall not subsequently assign a credit or any portion of a credit assigned under this subsection. The credit assignment under this subsection shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which the assignment is made. A partner, member, or shareholder who is an assignee shall attach a copy of the completed assignment form to its annual return required under this act, for the tax year in which the assignment is made and the assignee first claims a credit, which shall be the same tax year. A credit assignment based on a credit for a component of a multiphase project that is completed before January 1, 2006 shall be made under this

subsection. In addition to all other procedures under this subsection, the following apply if the total of all credits for a project is more than \$10,000,000.00 but \$30,000,000.00 or less:

(a) The credit shall be assigned based on the schedule contained in the certificate of completion.

(b) If the qualified taxpayer assigns all or a portion of the credit amount, the qualified taxpayer shall assign the annual credit amount for each tax year separately.

(c) More than 1 annual credit amount may be assigned to any 1 assignee and the qualified taxpayer may assign all or a portion of each annual credit amount to any assignee.

(d) The qualified taxpayer shall not assign more than the annual credit amount for each tax year.

(22) For projects approved under section 38g of former 1975 PA 228 for which a certificate of completion is issued on and after January 1, 2006, a qualified taxpayer may assign all or a portion of a credit allowed under section 38g(2), (3), or (33) of former 1975 PA 228 under this subsection. A credit assignment under this subsection is irrevocable and, except for a credit assignment based on a multiphase project, shall be made in the tax year in which a certificate of completion is issued unless the assignee is an unknown lessee. If a qualified taxpayer wishes to assign all or a portion of its credit to a lessee but the lessee is unknown in the tax year in which the certificate of completion is issued, the qualified taxpayer may delay claiming and assigning the credit until the first tax year in which the lessee is known. A qualified taxpayer may claim a portion of a credit and assign the remaining credit amount. If the qualified taxpayer both claims and assigns portions of the credit, the qualified taxpayer shall claim the portion it claims in the tax year in which a certificate of completion is issued pursuant to section 38g of former 1975 PA 228. An assignee may subsequently assign a credit or any portion of a credit assigned under this subsection to 1 or more assignees. An assignment under this subsection of a credit allowed under section 38g(2), (3), or (33) of former 1975 PA 228 shall not be made after 10 years after the first tax year in which that credit under section 38g(2), (3), or (33) of former 1975 PA 228 may be claimed. The credit assignment or a subsequent reassignment under this subsection shall be made on a form prescribed by the Michigan economic growth authority. The qualified taxpayer shall send a copy of the completed assignment form to the Michigan economic growth authority in the tax year in which an assignment or reassignment is made. An assignee or subsequent reassignee shall attach a copy of the completed assignment form to its annual return required under this act, for the tax year in which the assignment or reassignment is made and the assignee or reassignee first claims a credit, which shall be the same tax year. A credit assignment based on a credit for a component of a multiphase project that is completed before January 1, 2006 shall be made under section 38g(18) of former 1975 PA 228. A credit assignment based on a credit for a component of a multiphase project that is completed on or after January 1, 2006 may be made under this section. In addition to all other procedures and requirements under this section, the following apply if the total of all credits for a project is more than \$10,000,000.00 but \$30,000,000.00 or less:

(a) The credit shall be assigned based on the schedule contained in the certificate of completion.

(b) If the qualified taxpayer assigns all or a portion of the credit amount, the qualified taxpayer shall assign the annual credit amount for each tax year separately.

(c) More than 1 annual credit amount may be assigned to any 1 assignee, and the qualified taxpayer may assign all or a portion of each annual credit amount to any assignee.

(23) A qualified taxpayer or assignee under subsection (20), (21), or (22) shall not claim a credit under subsection (1)(a) or (b) based on eligible investment on which a credit claimed under section 38d of former 1975 PA 228 was based.

(24) The Michigan economic growth authority may certify a credit under this section based on an agreement entered into prior to January 1, 2008 pursuant to section 38g of former 1975 PA 228. The number of years for which the credit under this subsection may be claimed under this act shall equal the maximum number of years designated in the agreement reduced by the number of years for which a credit had been claimed or could have been claimed under section 38g of former 1975 PA 228.

(25) An eligible taxpayer that claims a credit under this section is not prohibited from claiming a credit under section 431. However, the eligible taxpayer shall not claim a credit under this section and section 431 based on the same costs.

(26) Eligible investment attributable or related to the operation of a professional sports stadium, and eligible investment that is associated or affiliated with the operation of a professional sports stadium, including, but not limited to, the operation of a parking lot or retail store, shall not be used as a basis for a credit under this section. Professional sports stadium does not include a professional sports stadium that will no longer be used by a professional sports team on and after the date that an application related to that professional sports stadium is filed under this section.

(27) Eligible investment attributable or related to the operation of a casino, and eligible investment that is associated or affiliated with the operation of a casino, including, but not limited to, the operation of a parking lot, hotel, motel, or retail store, shall not be used as a basis for a credit under this section. As used in this subsection, “casino” means a casino regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

(28) Eligible investment attributable or related to the construction of a new landfill or the expansion of an existing landfill regulated under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11550, shall not be used as a basis for a credit under this section.

(29) The Michigan economic growth authority annually shall prepare and submit to the house of representatives and senate committees responsible for tax policy and economic development issues a report on the credits under subsection (3). The report shall include, but is not limited to, all of the following:

(a) A listing of the projects under subsection (3) that were approved in the calendar year.

(b) The total amount of eligible investment for projects approved under subsection (3) in the calendar year.

(30) For purposes of this section, taxpayer includes a person subject to the tax imposed under chapters 2A and 2B.

(31) As used in this section:

(a) “Annual credit amount” means the maximum amount that a qualified taxpayer is eligible to claim each tax year for a project for which the total of all credits is more than \$10,000,000.00 but \$30,000,000.00 or less, which shall be 10% of the qualified taxpayer’s credit amount approved under subsection (3).

(b) “Authority” means a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(c) “Authorized business”, “full-time job”, “new capital investment”, “qualified high-technology business”, “retained jobs”, and “written agreement” mean those terms as defined in the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(d) “Blighted”, “brownfield plan”, “eligible activities”, “facility”, “functionally obsolete”, “qualified local governmental unit”, and “response activity” mean those terms as defined in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(e) “Eligible investment” means demolition, construction, restoration, alteration, renovation, or improvement of buildings or site improvements on eligible property and the addition of machinery, equipment, and fixtures to eligible property after the date that eligible activities on that eligible property have started pursuant to a brownfield plan under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, and after the date that the preapproval letter is issued, if the costs of the eligible investment are not otherwise reimbursed to the taxpayer or paid for on behalf of the taxpayer from any source other than the taxpayer. The addition of leased machinery, equipment, or fixtures to eligible property by a lessee of the machinery, equipment, or fixtures is eligible investment if the lease of the machinery, equipment, or fixtures has a minimum term of 10 years or is for the expected useful life of the machinery, equipment, or fixtures, and if the owner of the machinery, equipment, or fixtures is not the qualified taxpayer with regard to that machinery, equipment, or fixtures.

(f) “Eligible property” means that term as defined in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, except that, for purposes of subsection (2), all of the following apply:

(i) Eligible property means property identified under a brownfield plan that was used or is currently used for commercial, industrial, or residential purposes and that is 1 of the following:

(A) Property for which eligible activities are identified under the brownfield plan, is in a qualified local governmental unit, and is a facility, functionally obsolete, or blighted.

(B) Property that is not in a qualified local governmental unit but is within a downtown development district established under 1975 PA 197, MCL 125.1651 to 125.1681, and is functionally obsolete or blighted, and a component of the project on that eligible property is 1 or more of the following:

(I) Infrastructure improvements that directly benefit the eligible property.

(II) Demolition of structures that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(III) Lead or asbestos abatement.

(IV) Site preparation that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(C) Property for which eligible activities are identified under the brownfield plan, is not in a qualified local governmental unit, and is a facility.

(ii) Eligible property includes parcels that are adjacent or contiguous to the eligible property if the development of the adjacent or contiguous parcels is estimated to increase the captured taxable value of the property or tax reverted property owned or under the control of a land bank fast track authority pursuant to the land bank fast track authority act, 2003 PA 258, MCL 124.751 to 124.774.

(iii) Eligible property includes, to the extent included in the brownfield plan, personal property located on the eligible property.

(iv) Eligible property does not include qualified agricultural property exempt under section 7ee of the general property tax act, 1893 PA 206, MCL 211.7ee, from the tax levied by a local school district for school operating purposes to the extent provided under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211.

(g) “Last tax year” means the taxpayer’s tax year under former 1975 PA 228 that begins after December 31, 2006 and before January 1, 2008.

(h) “Michigan economic growth authority” means the Michigan economic growth authority created in the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(i) “Multiphase project” means a project approved under this section that has more than 1 component, each of which can be completed separately.

(j) “Personal property” means that term as defined in section 8 of the general property tax act, 1893 PA 206, MCL 211.8, except that personal property does not include either of the following:

(i) Personal property described in section 8(h), (i), or (j) of the general property tax act, 1893 PA 206, MCL 211.8.

(ii) Buildings described in section 14(6) of the general property tax act, 1893 PA 206, MCL 211.14.

(k) “Project” means the total of all eligible investment on an eligible property or, for purposes of subsection (6)(b), 1 of the following:

(i) All eligible investment on property not in a qualified local governmental unit that is a facility.

(ii) All eligible investment on property that is not a facility but is functionally obsolete or blighted.

(l) “Qualified local governmental unit” means that term as defined in the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2781 to 125.2797.

(m) “Qualified taxpayer” means a taxpayer that meets both of the following criteria:

(i) Owns or leases eligible property.

(ii) Certifies that, except as otherwise provided in this subparagraph, the department of environmental quality has not sued or issued a unilateral order to the taxpayer pursuant to part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, to compel response activity on or to the eligible property, or expended any state funds for response activity on or to the eligible property and demanded reimbursement for those expenditures from the qualified taxpayer. However, if the taxpayer has completed all response activity required by part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, is in compliance with any deed restriction or administrative or judicial order related to the required response activity, and has reimbursed the state for all costs incurred by the state related to the required response activity, the taxpayer meets the criteria under this subparagraph.

208.1439 Qualified low-grade hematite consumed in industrial or manufacturing process; tax credit; definitions.

Sec. 439. (1) A taxpayer may claim a credit against the tax imposed by this act equal to \$1.00 per long ton of qualified low-grade hematite consumed in an industrial or manufacturing process that is the business activity of the taxpayer.

(2) If the credit allowed under this section for the tax year and any unused carryforward of the credit allowed under this section exceed the tax liability of the taxpayer for the tax year, the excess shall not be refunded, but may be carried forward as an offset to the tax liability in subsequent tax years for 5 tax years or until the excess credit is used up, whichever occurs first.

(3) The credit under this section shall be based on low-grade hematite consumed on and after January 1, 2000.

(4) As used in this section:

(a) “Consumed in an industrial or manufacturing process” means a process in which low-grade hematite is used as a raw material in the production of pig iron or steel.

(b) “Low-grade hematite” means any hematitic iron formation that is not of sufficient quality in its original mineral state to be mined and shipped for the production of pig iron or steel without first being drilled, blasted, crushed, and ground very fine to liberate the iron minerals and for which additional beneficiation and agglomeration are required to produce a product of sufficient quality to be used in the production of pig iron or steel.

(c) “Qualified low-grade hematite” means pellets produced from low-grade hematitic iron ore mined in the United States.

208.1441 Michigan entrepreneurial credit; conditions; definitions.

Sec. 441. (1) For the 2008, 2009, and 2010 tax years, except as otherwise provided under subsection (2), a taxpayer may claim the Michigan entrepreneurial credit equal to 100% of the eligible taxpayer’s tax liability imposed by this act attributable to increased employment under subdivision (b) for 3 years if the taxpayer meets all of the following conditions:

(a) Had less than \$25,000,000.00 in gross receipts in the immediately preceding tax year. The \$25,000,000.00 amount shall be annually adjusted for inflation using the Detroit consumer price index.

(b) Has created in this state or transferred into this state not fewer than 20 new jobs in the immediately preceding tax year.

(c) Has made a capital investment in this state of not less than \$1,250,000.00 in the immediately preceding tax year. For purposes of determining eligibility under this subdivision, the capital investment shall not include the purchase of an existing plant or the purchase of existing equipment.

(d) Is not a retail establishment as described in major groups 52 through 59 and 70 under the standard industrial classification code as compiled by the United States department of labor. However, a restaurant that did not exist, as determined by the treasurer, in this state in the immediately preceding year before which the credit is claimed and that is not a franchise or a part of a unitary business group may qualify for the credit under this section.

(2) A taxpayer that is an eligible business as defined in section 407 and that received an eligible contribution as defined in section 407 for which a credit was claimed by another taxpayer may claim the Michigan entrepreneurial credit equal to 100% of the taxpayer’s tax liability imposed by this act attributable to the increased employment under subdivision (b) for 3 years if the taxpayer meets all of the following conditions:

(a) Had less than \$25,000,000.00 in gross receipts in the immediately preceding tax year.

(b) Has increased the number of new jobs in this state by at least 20% from the immediately preceding tax year.

(3) An eligible taxpayer may claim the credit under this section on a form prescribed by the department.

(4) If the new jobs for which the taxpayer qualifies for this credit are relocated outside of this state within 5 years after claiming the credit under this section or if the taxpayer reduces the employment levels by more than 10% of the jobs for which the taxpayer qualifies for the credit under this section, that taxpayer is liable in an amount equal to the total of all credits received under this section. Any liability under this subsection shall be collected under 1941 PA 122, MCL 205.1 to 205.31.

(5) A taxpayer’s liability attributable to the increased employment is the total liability of the taxpayer multiplied by a fraction the numerator of which is the payroll of the increased jobs of the facility meeting the requirements of this section and the denominator of which is the taxpayer’s total payroll in this state.

(6) As used in this section:

(a) “Detroit consumer price index” means the most comprehensive index of consumer prices available for the Detroit area from the United States department of labor, bureau of labor statistics.

(b) “New jobs” means jobs that meet all of the following criteria:

(i) Did not exist in this state in the immediately preceding tax year.

(ii) Represent an overall increase in full-time equivalent jobs of the taxpayer in this state in the immediately preceding tax year.

(iii) Are not jobs into which employees transfer if the employees worked in this state for the taxpayer in other jobs prior to beginning the new jobs.

(c) “Payroll” means total salaries and wages before deducting any personal or dependency exemptions.

208.1445 Taxpayer as new motor vehicle dealer; tax credit; “new motor vehicle inventory” defined.

Sec. 445. (1) A taxpayer that is a new motor vehicle dealer licensed under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, may claim a credit against the tax imposed by this act equal to 2% of the amount paid by the taxpayer to acquire new motor vehicle inventory in the tax year, not to exceed \$10,000.00.

(2) If the amount of the credit allowed under this section exceeds the tax liability of the taxpayer for the tax year, that excess shall not be refunded and shall not be carried forward as an offset to the tax liability in subsequent tax years.

(3) As used in this section, “new motor vehicle inventory” means new motor vehicles or motor vehicle parts.

208.1447 Tax credit equal to 0.535% of taxpayer’s compensation.

Sec. 447. (1) An eligible taxpayer may claim a credit against the tax imposed by this act equal to 0.535% of the taxpayer’s compensation in this state, not to exceed \$4,500,000.00.

(2) If the amount of the credit allowed under this section exceeds the tax liability of the taxpayer for the tax year, that excess shall not be refunded and shall not be carried forward as an offset to the tax liability in subsequent tax years.

(3) A taxpayer that claims a credit under this section shall not claim a credit under section 449.

(4) As used in this section, “eligible taxpayer” means a taxpayer that meets all of the following conditions:

(a) Operates at least 17,000,000 square feet of enclosed retail space and 2,000,000 square feet of enclosed warehouse space in this state.

(b) Sells all of the following at retail:

(i) Fresh, frozen, or processed food, food products, or consumable necessities.

(ii) Prescriptions and over-the-counter medications.

(iii) Health and beauty care products.

(iv) Cosmetics.

(v) Pet products.

(vi) Carbonated beverages.

(vii) Beer, wine, or liquor.

(c) Sales of the items listed in subdivision (b) represent more than 35% of the taxpayer's total sales in the tax year.

(d) Maintains its headquarters operation in this state.

208.1449 Tax credit equal to 0.125% of taxpayer's compensation.

Sec. 449. (1) An eligible taxpayer may claim a credit against the tax imposed by this act equal to 0.125% of the taxpayer's compensation in this state, not to exceed \$300,000.00.

(2) If the amount of the credit allowed under this section exceeds the tax liability of the taxpayer for the tax year, that excess shall not be refunded and shall not be carried forward as an offset to the tax liability in subsequent tax years.

(3) As used in this section, "eligible taxpayer" means a taxpayer that meets all of the following:

(a) Operates at least 2,500,000 square feet of enclosed retail space and 1,400,000 square feet of enclosed warehouse, headquarters, and transportation services in this state.

(b) Sells all of the following at retail:

(i) Fresh, frozen, or processed food, food products, or consumable necessities.

(ii) Prescriptions and over-the-counter medications.

(iii) Health and beauty care products.

(iv) Cosmetics.

(v) Pet products.

(vi) Carbonated beverages.

(vii) Beer, wine, or liquor.

(c) Sales of the items listed in subdivision (b) represent more than 35% of the taxpayer's total sales in the tax year.

(d) The taxpayer maintains its headquarters operation in this state.

CHAPTER 5

208.1501 Estimated return and payment.

Sec. 501. (1) A taxpayer that reasonably expects liability for the tax year to exceed \$800.00 shall file an estimated return and pay an estimated tax for each quarter of the taxpayer's tax year.

(2) For taxpayers on a calendar year basis, the quarterly returns and estimated payments shall be made by April 15, July 15, October 15, and January 15. Taxpayers not on a calendar year basis shall file quarterly returns and make estimated payments on the appropriate due date which in the taxpayer's fiscal year corresponds to the calendar year.

(3) The estimated payment made with each quarterly return of each tax year shall be for the estimated business income tax base and modified gross receipts tax base for the quarter or 25% of the estimated annual liability. The second, third, and fourth estimated payments in each tax year shall include adjustments, if necessary, to correct underpayments or overpayments from previous quarterly payments in the tax year to a revised estimate of the annual tax liability.

(4) The interest provided by this act shall not be assessed if any of the following occur:

(a) If the sum of the estimated payments equals at least 85% of the liability and the amount of each estimated payment reasonably approximates the tax liability incurred during the quarter for which the estimated payment was made.

(b) For the 2009 tax year and each subsequent tax year, if the preceding year's tax liability under this act was \$20,000.00 or less and if the taxpayer submitted 4 equal installments the sum of which equals the immediately preceding tax year's tax liability.

(5) Each estimated return shall be made on a form prescribed by the department and shall include an estimate of the annual tax liability and other information required by the state treasurer. The form prescribed under this subsection may be combined with any other tax reporting form prescribed by the department.

(6) With respect to a taxpayer filing an estimated tax return for the taxpayer's first tax year of less than 12 months, the amounts paid with each return shall be proportional to the number of payments made in the first tax year.

(7) Payments made under this section shall be a credit against the payment required with the annual tax return required in section 505.

(8) If the department considers it necessary to insure payment of the tax or to provide a more efficient administration of the tax, the department may require filing of the returns and payment of the tax for other than quarterly or annual periods.

(9) A taxpayer that elects under the internal revenue code to file an annual federal income tax return by March 1 in the year following the taxpayer's tax year and does not make a quarterly estimate or payment, or does not make a quarterly estimate or payment and files a tentative annual return with a tentative payment by January 15 in the year following the taxpayer's tax year and a final return by April 15 in the year following the taxpayer's tax year, has the same option in filing the estimated and annual returns required by this act.

208.1503 Computation of tax for portion of year.

Sec. 503. If a taxpayer's tax year to which this act applies ends before December 31, 2008 or if a taxpayer's first tax year is less than 12 months then a taxpayer subject to this act may elect to compute the tax imposed by this act for the portion of that tax year to which this act applies or that first tax year in accordance with 1 of the following methods:

(a) The tax may be computed as if this act were effective on the first day of the taxpayer's annual accounting period and the amount computed shall be multiplied by a fraction, the numerator of which is the number of months in the taxpayer's first tax year and the denominator of which is 12.

(b) The tax may be computed by determining the business income tax base and modified gross receipts tax base in the first tax year in accordance with an accounting method satisfactory to the department that reflects the actual business income tax base and modified gross receipts tax base attributable to the period.

208.1505 Annual or final return; date of filing; extension.

Sec. 505. (1) An annual or final return shall be filed with the department in the form and content prescribed by the department by the last day of the fourth month after the end of the taxpayer's tax year. Any final liability shall be remitted with this return. A taxpayer, other than a taxpayer subject to the tax imposed under chapter 2A or 2B, whose apportioned or allocated gross receipts are less than \$350,000.00 does not need to file a return or pay the tax imposed under this act.

(2) If a taxpayer has apportioned or allocated gross receipts for a tax year of less than 12 months, the amount in subsection (1) shall be multiplied by a fraction, the numerator of which is the number of months in the tax year and the denominator of which is 12.

(3) The department, upon application of the taxpayer and for good cause shown, may extend the date for filing the annual return. Interest at the rate under section 23(2) of 1941 PA 122, MCL 205.23, shall be added to the amount of the tax unpaid for the period of the extension.

The treasurer shall require with the application payment of the estimated tax liability unpaid for the tax period covered by the extension.

(4) If a taxpayer is granted an extension of time within which to file the federal income tax return for any tax year, the filing of a copy of the request for extension together with a tentative return and payment of an estimated tax with the department by the due date provided in subsection (1) shall automatically extend the due date for the filing of an annual or final return under this act until the last day of the eighth month following the original due date of the return. Interest at the rate under section 23(2) of 1941 PA 122, MCL 205.23, shall be added to the amount of the tax unpaid for the period of the extension.

208.1507 Return; filing; true and correct copy; amended return.

Sec. 507. (1) A taxpayer required to file a return under this act may be required to furnish a true and correct copy of any return or portion of any return filed under the provisions of the internal revenue code.

(2) A taxpayer shall file an amended return with the department showing any alteration in or modification of a federal income tax return that affects its business income tax base or modified gross receipts tax base under this act. The amended return shall be filed within 120 days after the final determination by the internal revenue service.

208.1509 Information return required by internal revenue code; filing required.

Sec. 509. (1) At the request of the department, a taxpayer required by the internal revenue code to file or submit an information return of income paid to others shall, to the extent the information is applicable to residents of this state, at the same time file or submit the information in the form and content prescribed to the department.

(2) At the request of the department, a voluntary association, joint venture, partnership, estate, or trust shall file a copy of any tax return or portion of any tax return that was filed under the provisions of the internal revenue code. The department may prescribe alternate forms of returns.

208.1511 Unitary business group; filing.

Sec. 511. A unitary business group shall file a combined return that includes each United States person, other than a foreign operating entity, that is included in the unitary business group. Each United States person included in a unitary business group or included in a combined return shall be treated as a single person and all transactions between those persons included in the unitary business group shall be eliminated from the business income tax base, modified gross receipts tax base, and the apportionment formula under this act. If a United States person included in a unitary business group or included in a combined return is subject to the tax under chapter 2A or 2B, any business income attributable to that person shall be eliminated from the business income tax base, any modified gross receipts attributable to that person shall be eliminated from the modified gross receipts tax base, and any sales attributable to that person shall be eliminated from the apportionment formula under this act.

208.1513 Administration of tax; rules; forms; preparation and publication of statistics.

Sec. 513. (1) The tax imposed by this act shall be administered by the department of treasury pursuant to 1941 PA 122, MCL 205.1 to 205.31, and this act. If a conflict exists between 1941 PA 122, MCL 205.1 to 205.31, and this act, the provisions of this act apply.

(2) The department shall promulgate rules to implement this act pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(3) The department shall prescribe forms for use by taxpayers and may promulgate rules in conformity with this act for the maintenance by taxpayers of records, books, and accounts, and for the computation of the tax, the manner and time of changing or electing accounting methods and of exercising the various options contained in this act, the making of returns, and the ascertainment, assessment, and collection of the tax imposed under this act.

(4) The tax imposed by this act is in addition to all other taxes for which the taxpayer may be liable.

(5) The department shall prepare and publish statistics from the records kept to administer the tax imposed by this act that detail the distribution of tax receipts by type of business, legal form of organization, sources of tax base, timing of tax receipts, and types of deductions. The statistics shall not result in the disclosure of information regarding any specific taxpayer.

208.1515 Distribution to school aid fund; deposit of balance to general fund; “United States consumer price index” defined.

Sec. 515. (1) In fiscal year 2007-2008, \$136,000,000.00 of the revenue collected under this act shall be distributed to the school aid fund and the balance shall be deposited into the general fund. In fiscal year 2008-2009, \$479,000,000.00 of the revenue collected under this act shall be distributed to the school aid fund and the balance shall be deposited into the general fund. For each fiscal year after the 2008-2009 fiscal year, that amount from the immediately preceding fiscal year as adjusted by an amount equal to the growth in the United States consumer price index in the immediately preceding year shall be distributed to the school aid fund and the balance shall be deposited into the general fund.

(2) As used in this section, “United States consumer price index” means the United States consumer price index for all urban consumers as defined and reported by the United States department of labor, bureau of labor statistics.

208.1517 Implementation of act; appropriation; carrying forward unexpended funds.

Sec. 517. There is appropriated to the department for the 2006-2007 state fiscal year the sum of \$1,000,000.00 to begin implementing the requirements of this act. Any portion of this amount under this section that is not expended in the 2006-2007 state fiscal year shall not lapse to the general fund but shall be carried forward in a work project account that is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, for the following state fiscal year.

208.1519 Severability of provisions.

Sec. 519. If a final order of a court of competent jurisdiction for which all rights of appeal have been exhausted or have expired determines that any provision of this act that provides a deduction, credit, or exemption with respect to employment, persons, services, investment, or any other activity that is limited only to this state is unconstitutional or applies to employment, persons, services, investment, or any other activity outside of this state, that credit, deduction, or exemption shall be severed and shall not be in effect for any other tax year for which the final order shall apply, and the remaining provisions of this act shall remain in effect.

208.1601 Refund of excess amounts; deposit into countercyclical budget and economic stabilization fund; definitions.

Sec. 601. (1) For the 2008 fiscal year, except as otherwise provided under subsection (4), if total net cash payments from the tax imposed under this act plus any net cash payments

from former 1975 PA 228 less any net cash payments made by insurance companies under either act exceed \$2,398,000,000.00, 50% of that excess shall be refunded in the immediately succeeding fiscal year as provided in subsection (5) and the remaining 50% shall be deposited into the countercyclical budget and economic stabilization fund pursuant to section 353 of the management and budget act, 1984 PA 431, MCL 18.1353.

(2) For the 2009 fiscal year, except as otherwise provided under subsection (4), if total net cash payments from the tax imposed under this act, excluding any revenue collected pursuant to chapter 2A, exceed the fiscal year 2009 base, 50% of that excess shall be refunded in the immediately succeeding fiscal year as provided in subsection (5) and the remaining 50% shall be deposited into the countercyclical budget and economic stabilization fund pursuant to section 353 of the management and budget act, 1984 PA 431, MCL 18.1353. To calculate the fiscal year 2009 base, multiply \$2,398,000,000.00 by 1.01 and then multiply this product by 2009 fiscal year Michigan personal income divided by 2008 fiscal year Michigan personal income.

(3) For the 2010 fiscal year, except as otherwise provided under subsection (4), if total net cash payments from the tax imposed under this act, excluding any revenue collected pursuant to chapter 2A, exceed the fiscal year 2010 base, 50% of that excess shall be refunded in the immediately succeeding fiscal year as provided in subsection (5) and the remaining 50% shall be deposited into the countercyclical budget and economic stabilization fund pursuant to section 353 of the management and budget act, 1984 PA 431, MCL 18.1353. To calculate the fiscal year 2010 base, multiply \$2,398,000,000.00 by 1.0201 and then multiply this product by 2010 fiscal year Michigan personal income divided by 2008 fiscal year Michigan personal income.

(4) If the amount of the total net cash payments collected from the tax imposed under this act, excluding any revenue collected pursuant to chapter 2A, exceeds the amount described in the applicable subsection by less than \$5,000,000.00, then all of that excess shall be deposited into the countercyclical budget and economic stabilization fund pursuant to section 353 of the management and budget act, 1984 PA 431, MCL 18.1353.

(5) The refund available under subsection (1), (2), or (3) shall be applied pro rata to the taxpayers that made positive net cash payments during the fiscal year. The taxpayer's pro rata share shall be the total amount to be refunded under subsection (1), (2), or (3) multiplied by a fraction the numerator of which is the positive net payments made by the taxpayer during the fiscal year and the denominator of which is the sum of the positive net cash payments made by all taxpayers during the fiscal year.

(6) As used in this section:

(a) "Fiscal year" means the state fiscal year that commences October 1 and continues through September 30.

(b) "Fiscal year Michigan personal income" is the average of the 4 quarterly values for the fiscal year, as published by the United States bureau of economic analysis. Fiscal year personal income for subsection (2) is calculated using the personal income totals published in December 2009. Fiscal year personal income for subsection (3) is calculated using the personal income totals published in December 2010.

(c) "Net cash payments" for the fiscal year are equal to cash annual and estimated payments made during the fiscal year less refunds paid during the fiscal year. Refunds paid under this section are not used to reduce net cash payments for purposes of calculating refunds paid out under this section.

Effective date; applicability to business activity.

Enacting section 1. This act takes effect January 1, 2008 and applies to all business activity occurring after December 31, 2007.

Conditional effective date.

Enacting section 2. This act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

- (a) House Bill No. 4369.
- (b) House Bill No. 4370.
- (c) House Bill No. 4371.
- (d) House Bill No. 4372.

This act is ordered to take immediate effect.

Approved July 12, 2007.

Filed with Secretary of State July 12, 2007.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:

House Bill No. 4369 was filed with the Secretary of State July 12, 2007, and became 2007 PA 37, Imd. Eff. July 12, 2007.

House Bill No. 4370 was filed with the Secretary of State July 12, 2007, and became 2007 PA 38, Imd. Eff. July 12, 2007.

House Bill No. 4371 was filed with the Secretary of State July 12, 2007, and became 2007 PA 39, Imd. Eff. July 12, 2007.

House Bill No. 4372 was filed with the Secretary of State July 12, 2007, and became 2007 PA 40, Imd. Eff. July 12, 2007.

[No. 37]

(HB 4369)

AN ACT to amend 1976 PA 451, entitled "An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts," by amending section 1211 (MCL 380.1211), as amended by 2006 PA 648.

The People of the State of Michigan enact:

380.1211 Mills levied for school operating purposes; limitation; reduction of mills from which homestead, qualified agricultural property, qualified forest property, and industrial personal property are exempt; effect of insufficient mills allowed to be levied under subsection (1); additional mills; number of mills school district may levy after 1994; exemption of commercial personal property; approval by school electors; excess tax revenue; shortfall; allocation under property tax limitation act; definitions.

Sec. 1211. (1) Except as otherwise provided in this section and section 1211c, the board of a school district shall levy not more than 18 mills for school operating purposes or the number of mills levied in 1993 for school operating purposes, whichever is less. A principal

residence, qualified agricultural property, qualified forest property, and industrial personal property are exempt from the mills levied under this subsection except for the number of mills by which that exemption is reduced under this subsection. The board of a school district that had a foundation allowance calculated under section 20 of the state school aid act of 1979, MCL 388.1620, for the 1994-95 state fiscal year of more than \$6,500.00, may reduce the number of mills from which a principal residence, qualified agricultural property, qualified forest property, and industrial personal property are exempted under this subsection by up to the number of mills, as certified under section 1211a, required to be levied on a principal residence, qualified agricultural property, qualified forest property, and industrial personal property for the school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for the state fiscal year ending in 1995, and the board also may levy in 1994 or a succeeding year that number of mills for school operating purposes on a principal residence, qualified agricultural property, qualified forest property, and industrial personal property.

(2) Subject to subsection (3), if the department of treasury determines that the maximum number of mills allowed to be levied under subsection (1) on all classes of property was not sufficient for a school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for that school fiscal year, the board of the school district may levy in 1994 or a succeeding year additional mills uniformly on all property up to the number of mills required for the school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for the state fiscal year ending in 1995. However, the board of a school district described in this subsection, by board resolution, may elect to exempt each principal residence and all qualified agricultural property, qualified forest property, and industrial personal property located in the school district from some or all of the mills that the board is authorized to levy under this subsection.

(3) After 1994, the number of mills a school district may levy under this section on any class of property shall not exceed the lesser of the number of mills the school district was certified by the department of treasury under section 1211a to levy on that class of property under this section in 1994 or the number of mills required to be levied on that class of property under this section to ensure that the increase from the immediately preceding state fiscal year in the school district's combined state and local revenue per membership pupil, calculated as if the school district had levied the maximum number of mills the school district was allowed to levy under this section regardless of the number of mills the school district actually levied, does not exceed the lesser of the dollar amount of the increase in the basic foundation allowance under section 20 of the state school aid act of 1979, MCL 388.1620, from the immediately preceding state fiscal year or the percentage increase in the general price level in the immediately preceding calendar year. If the number of mills a school district is allowed to levy under this section in a year after 1994 is less than the number of mills the school district was allowed to levy under this section in the immediately preceding year, any reduction required by this subsection in the school district's millage rate shall be calculated by first reducing the number of mills the school district is allowed to levy under subsection (2) and then increasing the number of mills from which a principal residence, qualified agricultural property, qualified forest property, and industrial personal property are exempted under subsection (1).

(4) Commercial personal property is exempt from 12 of the mills levied under this section. However, if the number of mills from which industrial personal property is exempted for a specific school district is reduced under this section, then the number of mills from which commercial personal property is exempted for that school district shall be reduced by that same number of mills.

(5) Millage levied under this section must be approved by the school electors. For the purposes of this section, millage approved by the school electors before January 1, 1994 for which the authorization has not expired is considered to be approved by the school electors.

(6) If a school district levies millage for school operating purposes that is in excess of the limits of this section, the amount of the resulting excess tax revenue shall be deducted from the school district's next regular tax levy.

(7) If a school district levies millage for school operating purposes that is less than the limits of this section, the board of the school district may levy at the school district's next regular tax levy an additional number of mills not to exceed the additional millage needed to make up the shortfall.

(8) A school district shall not levy mills allocated under the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a, other than mills allocated to a school district of the first class for payment to a public library commission under section 11(4) of the property tax limitation act, 1933 PA 62, MCL 211.211, after 1993.

(9) As used in this section:

(a) "Combined state and local revenue per membership pupil" means that term as defined in section 20 of the state school aid act of 1979, MCL 388.1620.

(b) "Commercial personal property" means property classified as commercial personal property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(c) "Foundation allowance" means a school district's foundation allowance as calculated under section 20 of the state school aid act of 1979, MCL 388.1620.

(d) "General price level" means that term as defined in section 33 of article IX of the state constitution of 1963.

(e) "Industrial personal property" means property classified as industrial personal property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(f) "Membership" means that term as defined in section 6 of the state school aid act of 1979, MCL 388.1606.

(g) "Owner", "person", "principal residence", and "qualified agricultural property" mean those terms as defined in section 7dd of the general property tax act, 1893 PA 206, MCL 211.7dd.

(h) "Qualified forest property" means that term as defined in section 7jj of the general property tax act, 1893 PA 206, MCL 211.7jj[1].

(i) "School operating purposes" includes expenditures for furniture and equipment, for alterations necessary to maintain school facilities in a safe and sanitary condition, for funding the cost of energy conservation improvements in school facilities, for deficiencies in operating expenses for the preceding year, and for paying the operating allowance due from the school district to a joint high school district in which the school district is a participating school district under former part 3a. Taxes levied for school operating purposes do not include any of the following:

(i) Taxes levied by a school district for operating a community college under part 25.

(ii) Taxes levied under section 1212.

(iii) Taxes levied under section 1356 for eliminating an operating deficit.

(iv) Taxes levied for operation of a library under section 1451 or for operation of a library established pursuant to 1913 PA 261, MCL 397.261 to 397.262, that were not included in the operating millage reported by the district to the department as of April 1, 1993. However, a district may report to the department not later than April 1, 1994 the number of mills it

levied in 1993 for a purpose described in this subparagraph that the school district does not want considered as operating millage and then that number of mills is excluded under this section from taxes levied for school operating purposes.

(v) Taxes paid by a school district of the first class to a public library commission pursuant to section 11(4) of the property tax limitation act, 1933 PA 62, MCL 211.211.

(vi) Taxes levied under former section 1512 for operation of a community swimming pool. In addition, if a school district included the millage it levied in 1993 for operation of a community swimming pool as part of its operating millage reported to the department for 1993, the school district may report to the department not later than June 17, 1994 the number of mills it levied in 1993 for operation of a community swimming pool that the school district does not want considered as operating millage and then that number of mills is excluded under this section from taxes levied for school operating purposes.

Applicability to taxes levied after December 31, 2007.

Enacting section 1. This amendatory act applies to taxes levied after December 31, 2007.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

- (a) Senate Bill No. 94.
- (b) House Bill No. 4370.
- (c) House Bill No. 4371.
- (d) House Bill No. 4372.

This act is ordered to take immediate effect.

Approved July 12, 2007.

Filed with Secretary of State July 12, 2007.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:

Senate Bill No. 94 was filed with the Secretary of State July 12, 2007, and became 2007 PA 36, Eff. Jan. 1, 2008.

House Bill No. 4370 was filed with the Secretary of State July 12, 2007, and became 2007 PA 38, Imd. Eff. July 12, 2007.

House Bill No. 4371 was filed with the Secretary of State July 12, 2007, and became 2007 PA 39, Imd. Eff. July 12, 2007.

House Bill No. 4372 was filed with the Secretary of State July 12, 2007, and became 2007 PA 40, Imd. Eff. July 12, 2007.

[No. 38]

(HB 4370)

AN ACT to amend 1993 PA 331, entitled "An act to provide for the levy and collection of a state education tax; to provide for the distribution of the tax; and to prescribe the duties of certain local officials and state officers," by amending section 3 (MCL 211.903), as amended by 2002 PA 244.

The People of the State of Michigan enact:

211.903 State education tax; levy; rate; industrial personal property; exemption.

Sec. 3. (1) Beginning in 1994, except as otherwise provided in subsections (2) and (3), there is levied a state education tax on all property not exempt by law from ad valorem property taxes or not subject to a tax under 1905 PA 282, MCL 207.1 to 207.21, at a rate of 6 mills.

(2) In 2003 only, there is levied a state education tax on all property not exempt by law from ad valorem property taxes or not subject to a tax under 1905 PA 282, MCL 207.1 to 207.21, at the rate of 5 mills.

(3) For taxes levied after December 31, 2007, personal property classified under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, as industrial personal property is exempt from the tax levied under this act.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

- (a) Senate Bill No. 94.
- (b) House Bill No. 4369.
- (c) House Bill No. 4371.
- (d) House Bill No. 4372.

This act is ordered to take immediate effect.

Approved July 12, 2007.

Filed with Secretary of State July 12, 2007.

Compiler's note: The bills referred to in enacting section 1 were enacted into law as follows:

Senate Bill No. 94 was filed with the Secretary of State July 12, 2007, and became 2007 PA 36, Eff. Jan. 1, 2008.

House Bill No. 4369 was filed with the Secretary of State July 12, 2007, and became 2007 PA 37, Imd. Eff. July 12, 2007.

House Bill No. 4371 was filed with the Secretary of State July 12, 2007, and became 2007 PA 39, Imd. Eff. July 12, 2007.

House Bill No. 4372 was filed with the Secretary of State July 12, 2007, and became 2007 PA 40, Imd. Eff. July 12, 2007.

[No. 39]

(HB 4371)

AN ACT to amend 1974 PA 198, entitled “An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,” by amending sections 14 and 14a (MCL 207.564 and 207.564a), section 14 as amended by 1996 PA 1 and section 14a as amended by 1994 PA 266.

The People of the State of Michigan enact:

207.564 Industrial facility tax; amount of tax; determination; reduction.

Sec. 14. (1) The amount of the industrial facility tax, in each year for a replacement facility, shall be determined by multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is situated by the taxable value of the real and personal property of the obsolete industrial property for the tax year immediately preceding the effective date of the industrial facilities exemption certificate after deducting the taxable value of the land and of the inventory as specified in section 19.

(2) The amount of the industrial facility tax, in each year for a new facility or a speculative building for which an industrial facilities exemption certificate became effective before January 1, 1994, shall be determined by multiplying the taxable value of the facility excluding the land and the inventory personal property by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied for school operating purposes by a local school district within which the facility is located or mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, plus 1/2 of the number of mills levied for local school district operating purposes in 1993.

(3) Except as provided in subsection (4), the amount of the industrial facility tax in each year for a new facility or a speculative building for which an industrial facilities exemption certificate becomes effective after December 31, 1993, shall be determined by multiplying the taxable value of the facility excluding the land and the inventory personal property by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, plus, subject to section 14a, the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(4) For taxes levied after December 31, 2007, for the personal property tax component of an industrial facilities exemption certificate for a new facility or a speculative building that is sited on real property classified as industrial personal property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, the amount of the industrial facility tax in each year for a new facility or a speculative building shall be determined by multiplying the taxable value of the facility excluding the land and the inventory personal property by the sum of 1/2 of the total mills levied as ad valorem taxes for that year by all taxing units within which the facility is located other than mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and the number of mills from which the property is exempt under section 1211(1) of the revised school code, 1976 PA 451, MCL 380.1211.

(5) For a termination or revocation of only the real property component, or only the personal property component, of an industrial facilities exemption certificate as provided in this act, the valuation and the tax determined using that valuation shall be reduced proportionately to reflect the exclusion of the component with respect to which the termination or revocation has occurred.

207.564a Reduction of mills used to calculate tax under MCL 207.564(3); exception.

Sec. 14a. Within 60 days after the granting of an industrial facilities exemption certificate under section 7 for a new facility, the state treasurer may exclude 1/2 or all of the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, from the specific tax calculation on the facility under section 14(3) if the state treasurer determines that reducing the number of mills used to calculate the specific tax under section 14(3) is necessary to reduce unemployment, promote economic growth, and increase capital investment in this state. This section does not apply to the personal property tax component of a certificate described in section 14(4).

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

- (a) Senate Bill No. 94.
- (b) House Bill No. 4369.
- (c) House Bill No. 4370.

(d) House Bill No. 4372.

This act is ordered to take immediate effect.

Approved July 12, 2007.

Filed with Secretary of State July 12, 2007.

Compiler's note: The bills referred to in enacting section 1 were enacted into law as follows:

Senate Bill No. 94 was filed with the Secretary of State July 12, 2007, and became 2007 PA 36, Eff. Jan. 1, 2008.

House Bill No. 4369 was filed with the Secretary of State July 12, 2007, and became 2007 PA 37, Imd. Eff. July 12, 2007.

House Bill No. 4370 was filed with the Secretary of State July 12, 2007, and became 2007 PA 38, Imd. Eff. July 12, 2007.

House Bill No. 4372 was filed with the Secretary of State July 12, 2007, and became 2007 PA 40, Imd. Eff. July 12, 2007.

[No. 40]

(HB 4372)

AN ACT to amend 1893 PA 206, entitled “An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts,” (MCL 211.1 to 211.157) by adding section 9k.

The People of the State of Michigan enact:

211.9k Industrial personal property or commercial personal property; tax exemption.

Sec. 9k. For taxes levied after December 31, 2007, personal property classified under section 34c as industrial personal property or commercial personal property is exempt from the tax levied by a local school district for school operating purposes to the extent provided under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211. For taxes levied after December 31, 2007, personal property classified under section 34c as industrial personal property is exempt from the tax levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, as provided in section 3 of the state education tax act, 1993 PA 331, MCL 211.903.

Legislative intent.

Enacting section 1. It is the intent of the legislature to address potential revenue shortfalls for the payment of tax increment financing obligations that may result from the exemptions provided by this amendatory act and to evaluate the impact of this exemption on tax increment financing projects in the future.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

- (a) Senate Bill No. 94.
- (b) House Bill No. 4369.
- (c) House Bill No. 4370.
- (d) House Bill No. 4371.

This act is ordered to take immediate effect.

Approved July 12, 2007.

Filed with Secretary of State July 12, 2007.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:
 Senate Bill No. 94 was filed with the Secretary of State July 12, 2007, and became 2007 PA 36, Eff. Jan. 1, 2008.
 House Bill No. 4369 was filed with the Secretary of State July 12, 2007, and became 2007 PA 37, Imd. Eff. July 12, 2007.
 House Bill No. 4370 was filed with the Secretary of State July 12, 2007, and became 2007 PA 38, Imd. Eff. July 12, 2007.
 House Bill No. 4371 was filed with the Secretary of State July 12, 2007, and became 2007 PA 39, Imd. Eff. July 12, 2007.

[No. 41]

(HB 4493)

AN ACT to make, supplement, and adjust appropriations for various state departments and agencies, capital outlay, the legislative branch, and the judicial branch for the fiscal year ending September 30, 2007; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; supplemental; various state departments and agencies, capital outlay, legislative branch, and judicial branch.

Sec. 101. There is appropriated for the various state departments and agencies, capital outlay, the legislative branch, and the judicial branch to supplement appropriations for the fiscal year ending September 30, 2007, from the following funds:

APPROPRIATION SUMMARY:

Full-time equated classified positions	8.0		
GROSS APPROPRIATION		\$	492,917,500
Total interdepartmental grants and intradepartmental transfers.....			12,266,400
ADJUSTED GROSS APPROPRIATION		\$	480,651,100
Total federal revenues			183,231,000
Total local revenues.....			7,390,000
Total private revenues.....			700,000
Total other state restricted revenues			215,445,800
State general fund/general purpose		\$	73,884,300

For Fiscal Year
Ending Sept. 30,
2007

Capital outlay.

Sec. 102. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	56,020,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		2,000,000
ADJUSTED GROSS APPROPRIATION	\$	54,020,200
Federal revenues:		
Total federal revenues		13,825,900
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		40,194,300
State general fund/general purpose	\$	0

(2) DEPARTMENT OF AGRICULTURE

Farmland and open space development acquisition	\$	<u>3,750,000</u>
GROSS APPROPRIATION	\$	3,750,000
Appropriated from:		
Federal revenues:		
DAG, multiple grants.....		1,250,000
Special revenue funds:		
Agriculture preservation fund		2,500,000
State general fund/general purpose	\$	0

(3) DEPARTMENT OF MANAGEMENT AND BUDGET

Lump-sum projects:		
Special maintenance, remodeling and additions:		
For state agencies special maintenance projects estimated to cost more than \$100,000 but less than \$1,000,000	\$	<u>2,000,000</u>
GROSS APPROPRIATION	\$	2,000,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy charges		2,000,000
State general fund/general purpose	\$	0

(4) DEPARTMENT OF MILITARY AFFAIRS

Lump-sum projects:		
For department of military affairs remodeling and additions and special maintenance projects	\$	6,763,000
North Lansing complex renovations, for design and construction (total authorized cost \$25,000,000; federal share \$24,200,000; state armory construction fund share \$800,000)		<u>300,000</u>
GROSS APPROPRIATION	\$	7,063,000
Appropriated from:		
Federal revenues:		
DOD, department of the army, national guard bureau.....		6,763,000
Special revenue funds:		
Armory construction fund.....		300,000
State general fund/general purpose	\$	0

For Fiscal Year
Ending Sept. 30,
2007

(5) DEPARTMENT OF NATURAL RESOURCES

(a) STATE PARK AND FOREST AREA IMPROVEMENTS

State parks repair and maintenance	\$	2,000,000
Forest roads, bridges, and facilities		500,000
GROSS APPROPRIATION	\$	<u>2,500,000</u>

Appropriated from:

Special revenue funds:

Forest development fund		400,000
Forest recreation fund		100,000
State park improvement fund		2,000,000
State general fund/general purpose	\$	0

(b) WILDLIFE

Statewide wetlands acquisitions	\$	<u>2,000,000</u>
GROSS APPROPRIATION	\$	<u>2,000,000</u>

Appropriated from:

Special revenue funds:

Game and fish protection - waterfowl fees		2,000,000
State general fund/general purpose	\$	0

(c) WATERWAYS BOATING PROGRAM

Infrastructure improvements - state projects	\$	4,543,000
Infrastructure improvements - local projects		2,250,000
Land acquisition		1,170,000

Boating program, state boating access projects:

Walloon Lake, Charlevoix County, new site construction - phase I (total authorized cost \$510,000; state share \$510,000)		510,000
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Boating program, boating access sites, grants-in-aid:

Tuscarora Township, Cheboygan County, boat launch and parking lot construction (total authorized cost \$467,200; state share \$332,500; local share \$134,700)		332,500
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Frankfort, Benzie County, boat launch and parking lot rehabilitation (total project cost \$151,300; state share \$113,500; local share \$37,800)		113,500
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Ludington, Mason County, breakwater rubble mound protective structure (total authorized cost \$227,900; state share \$171,000; local share \$56,900)		171,000
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Boating program, harbors and docks, state facilities:

De Tour, Chippewa County, floating dock repair and replacement (total project cost \$4,000,000; federal share \$3,000,000; state share \$1,000,000)		4,000,000
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Mackinaw City, Cheboygan County, new marina, state dock, phase III (total cost \$10,775,000; state share \$10,775,000)		415,000
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Mitchell state park, Wexford County, seawall and walkway improvements (total authorized cost \$1,250,000; federal share \$937,500; state share \$312,500)		1,250,000
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Boating program, harbors and docks, local facilities:

Trenton, Wayne County, new city marina (total authorized cost \$776,500; federal share \$582,400; local share \$194,100)		582,400
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	For Fiscal Year Ending Sept. 30, 2007
Leland, Leelanau County, marina rehabilitation and upgrades (total project cost \$3,500,000; state share \$2,625,000; local share \$875,000)	\$ 875,000
GROSS APPROPRIATION	\$ 16,212,400
Appropriated from:	
Federal revenues:	
DHS, U.S. coast guard.....	1,293,000
DOI, U.S. fish and wildlife service, Dingell-Johnson	4,519,900
Special revenue funds:	
Michigan state waterways fund	10,399,500
State general fund/general purpose	\$ 0
(6) DEPARTMENT OF TRANSPORTATION	
STATE TRUNKLINE FUND	
Department buildings and facilities:	
Salt storage buildings and containment control systems - contract agencies	\$ 2,000,000
Salt storage buildings and containment control systems - various state locations.....	1,200,000
Design and construct maintenance garage washbays - various state locations.....	400,000
Detroit, Wayne County, Rosa L. Parks integrated transportation campus, construction cost increase/scope change (original total authorized cost in 1999 PA 265 and 2003 PA 193 is increased from \$4,300,000 to \$13,240,000; comprehensive transportation fund bond proceeds is increased from \$0 to \$200,000; state trunkline fund share is increased from \$4,300,000 to \$13,040,200).....	8,940,200
Oakland County, transportation service center construction.....	3,500,000
Institutional and agency roads.....	750,000
Miscellaneous remodeling, additions, emergency maintenance.....	900,000
Cadillac, Wexford County, transportation service center construction, total project cost increased from \$1,000,000 to \$1,500,000; state trunkline fund share increased from \$1,000,000 to \$1,500,000.....	500,000
Taylor, Wayne County, transportation service center construction, total project cost increased from \$1,800,000 to \$2,550,000; state trunkline fund share is increased from \$1,800,000 to \$2,550,000....	750,000
GROSS APPROPRIATION	\$ 18,940,200
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund bond proceeds.....	200,000
State trunkline fund	18,740,200
State general fund/general purpose	\$ 0
(7) DEPARTMENT OF TRANSPORTATION	
AERONAUTICS FUND: AIRPORT PROGRAMS	
Airport safety, protection, and improvement program	\$ 3,554,600
GROSS APPROPRIATION	\$ 3,554,600
Appropriated from:	
Special revenue funds:	
State aeronautics fund.....	3,554,600
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2007

Department of civil rights.

Sec. 103. DEPARTMENT OF CIVIL RIGHTS

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	276,000
Total interdepartmental grants and intradepartmental transfers.....		221,000
ADJUSTED GROSS APPROPRIATION	\$	55,000
Total federal revenues		0
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		55,000
State general fund/general purpose	\$	0

(2) CIVIL RIGHTS OPERATIONS

Civil rights operations	\$	276,000
GROSS APPROPRIATION	\$	<u>276,000</u>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DCH		221,000
Special revenue funds:		
Real estate education fund.....		55,000
State general fund/general purpose	\$	0

Department of community health.

Sec. 104. DEPARTMENT OF COMMUNITY HEALTH

(1) APPROPRIATION SUMMARY

Full-time equated classified positions	8.0	
GROSS APPROPRIATION	\$	306,732,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	306,732,300
Federal revenues:		
Total federal revenues		162,025,200
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		700,000
Merit award trust fund.....		24,758,000
Total other state restricted revenues		(23,420,800)
State general fund/general purpose	\$	142,669,900

(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE

SERVICES PROGRAMS

Medicaid mental health services	\$	(158,158,900)
Community mental health non-Medicaid services		1,700,000
Medicaid substance abuse services.....		(14,400)
GROSS APPROPRIATION	\$	<u>(156,473,300)</u>
Appropriated from:		
Federal revenues:		
Total federal revenues		(89,194,000)
Special revenue funds:		
Total other state restricted revenues		(5,551,300)
State general fund/general purpose	\$	(61,728,000)

For Fiscal Year
Ending Sept. 30,
2007

(3) PUBLIC HEALTH ADMINISTRATION

Full-time equated classified positions.....	3.0	
Promotion of healthy behaviors		\$ 700,000
Vital records and health statistics—3.0 FTE positions		2,500,000
GROSS APPROPRIATION		\$ 3,200,000

Appropriated from:

Federal revenues:		
Total federal revenues		2,500,000
Special revenue funds:		
Total private revenues.....		700,000
State general fund/general purpose	\$	0

(4) HEALTH POLICY, REGULATION, AND PROFESSIONS

Full-time equated classified positions.....	5.0	
Health professions—5.0 FTE positions		\$ 3,100,000
GROSS APPROPRIATION		\$ 3,100,000

Appropriated from:

Federal revenues:		
Total federal revenues		3,100,000
State general fund/general purpose	\$	0

(5) CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Morris Hood Wayne State University diabetes outreach.....		\$ 25,000
GROSS APPROPRIATION		\$ 25,000

Appropriated from:

Special revenue funds:		
Total other state restricted revenues		25,000
State general fund/general purpose	\$	0

(6) FAMILY, MATERNAL, AND CHILDREN’S HEALTH SERVICES

Pregnancy prevention program		\$ (25,000)
GROSS APPROPRIATION		\$ (25,000)

Appropriated from:

Special revenue funds:		
Total other state restricted revenues		(25,000)
State general fund/general purpose	\$	0

(7) CHILDREN’S SPECIAL HEALTH CARE SERVICES

Medical care and treatment.....		\$ 14,251,600
GROSS APPROPRIATION		\$ 14,251,600

Appropriated from:

Federal revenues:		
Total federal revenues		5,174,500
State general fund/general purpose	\$	9,077,100

(8) WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Women, infants, and children program administration and special projects		\$ 713,000
Women, infants, and children program local agreements and food costs.....		10,000,000
GROSS APPROPRIATION		\$ 10,713,000

For Fiscal Year
Ending Sept. 30,
2007

Appropriated from:

Federal revenues:

Total federal revenues	\$	10,713,000
State general fund/general purpose	\$	0

(9) CRIME VICTIM SERVICES COMMISSION

Crime victims rights fund revenue to Michigan state police.....	\$	1,033,200
GROSS APPROPRIATION	\$	1,033,200

Appropriated from:

Special revenue funds:

Total other state restricted revenues		1,033,200
State general fund/general purpose	\$	0

(10) MEDICAL SERVICES

Hospital services and therapy.....	\$	81,674,800
Physician services.....		26,129,000
Medicare premium payments		(11,562,600)
Pharmaceutical services		233,534,600
Home health services.....		276,600
Hospice services.....		11,033,400
Transportation		860,600
Auxiliary medical services		898,700
Dental services.....		15,487,600
Ambulance services.....		1,162,800
Long-term care services.....		15,355,100
Medicaid home and community-based services waiver		17,644,300
Personal care services		3,403,900
Program of all-inclusive care for the elderly		(1,066,700)
Health plan services.....		37,782,800
MIChild program		(11,623,700)
Medicaid adult benefits waiver		5,726,400
Subtotal basic medical services program		426,717,600
Special Medicaid reimbursement.....		4,190,200
Subtotal special medical services payments		4,190,200
GROSS APPROPRIATION	\$	430,907,800

Appropriated from:

Federal revenues:

Total federal revenues		229,731,700
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Special revenue funds:

Merit award trust fund.....		24,758,000
Total other state restricted revenues		(18,902,700)
State general fund/general purpose	\$	195,320,800

Department of corrections.

Sec. 105. DEPARTMENT OF CORRECTIONS

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	43,261,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		870,000
ADJUSTED GROSS APPROPRIATION	\$	42,391,000

	For Fiscal Year Ending Sept. 30, 2007
Federal revenues:	
Total federal revenues	\$ 0
Special revenue funds:	
Total local revenues.....	0
Total private revenues.....	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 42,391,000
(2) CONSENT DECREES	
Hadix consent decree.....	\$ 2,700,000
GROSS APPROPRIATION	\$ 2,700,000
Appropriated from:	
State general fund/general purpose	\$ 2,700,000
(3) HEALTH CARE	
Hospital and specialty care services	\$ 24,376,900
Northern region clinical complexes	126,500
Southeastern region clinical complexes	0
Southwestern region clinical complexes	545,300
GROSS APPROPRIATION	\$ 25,048,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDCH, federal HIV drug assistance	870,000
State general fund/general purpose	\$ 24,178,700
(4) NORTHERN REGION CORRECTIONAL FACILITIES	
Alger maximum correctional facility - Munising	\$ 1,124,500
Baraga maximum correctional facility - Baraga	1,298,100
Pugsley correctional facility - Kingsley.....	549,800
Saginaw correctional facility - Freeland.....	526,100
GROSS APPROPRIATION	\$ 3,498,500
Appropriated from:	
State general fund/general purpose	\$ 3,498,500
(5) SOUTHEASTERN REGION CORRECTIONAL FACILITIES	
G. Robert Cotton correctional facility - Jackson.....	\$ 1,148,400
Charles E. Egeler correctional facility - Jackson	2,429,700
Macomb correctional facility - New Haven.....	1,574,700
Mound correctional facility - Detroit.....	1,316,700
Parnall correctional facility - Jackson.....	986,200
Ryan correctional facility - Detroit	1,623,700
Thumb correctional facility - Lapeer	910,000
Special alternative incarceration program - Cassidy Lake.....	498,100
Jackson area support and services - Jackson	82,800
GROSS APPROPRIATION	\$ 10,570,300
Appropriated from:	
State general fund/general purpose	\$ 10,570,300
(6) SOUTHWESTERN REGION CORRECTIONAL FACILITIES	
Richard A. Handlon correctional facility - Ionia.....	\$ 1,101,800
Ionia maximum correctional facility - Ionia.....	341,700
GROSS APPROPRIATION	\$ 1,443,500

For Fiscal Year
Ending Sept. 30,
2007

Appropriated from:
State general fund/general purpose \$ 1,443,500

Department of education.

Sec. 106. DEPARTMENT OF EDUCATION

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION \$ 227,000
Total interdepartmental grants and intradepartmental transfers..... 0
ADJUSTED GROSS APPROPRIATION \$ 227,000
Total federal revenues 0
Total local revenues..... 0
Total private revenues..... 0
Total other state restricted revenues 227,000
State general fund/general purpose \$ 0

(2) GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

Grants administration and school support services operations..... \$ 227,000
GROSS APPROPRIATION \$ 227,000

Appropriated from:
Special revenue funds:
Commodity distribution fees 227,000
State general fund/general purpose \$ 0

Department of environmental quality.

Sec. 107. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION \$ 11,620,000
Total interdepartmental grants and intradepartmental transfers..... 122,200
ADJUSTED GROSS APPROPRIATION \$ 11,497,800
Total federal revenues 253,500
Total local revenues..... 0
Total private revenues..... 0
Total other state restricted revenues 11,244,300
State general fund/general purpose \$ 0

(2) AIR QUALITY

Air quality programs \$ 575,000
GROSS APPROPRIATION \$ 575,000

Appropriated from:
Federal revenues:
DHS, federal..... 575,000
State general fund/general purpose \$ 0

(3) ENVIRONMENTAL SCIENCE AND SERVICES

Green chemistry initiative \$ 1,000,000
Brownfield grants and loans program 10,000,000
GROSS APPROPRIATION \$ 11,000,000

Appropriated from:
Special revenue funds:
Clean Michigan initiative - response activities..... 10,000,000
Clean Michigan initiative - pollution prevention activities 1,000,000
State general fund/general purpose \$ 0

For Fiscal Year
Ending Sept. 30,
2007

(4) EXECUTIVE OPERATIONS AND DEPARTMENT SUPPORT

Office of the Great Lakes.....	\$	45,000
GROSS APPROPRIATION	\$	45,000
Appropriated from:		
Federal revenues:		
DOC-NOAA, federal		22,500
Special revenue funds:		
Great Lakes protection fund		22,500
State general fund/general purpose	\$	0

(5) INFORMATION TECHNOLOGY

Information technology services and projects.....	\$	0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Interdepartmental grant revenues:		
IDT, laboratory services.....		122,200
Federal revenues:		
EPA, multiple		(344,000)
Special revenue funds:		
Refined petroleum fund.....		221,800
State general fund/general purpose	\$	0

Higher education.

Sec. 108. HIGHER EDUCATION

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	0
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	0
Total federal revenues		0
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		90,000,000
State general fund/general purpose	\$	(90,000,000)

(2) GRANTS AND FINANCIAL AID

State competitive scholarships.....	\$	0
Tuition grants		0
Michigan work-study program.....		0
Tuition incentive program.....		0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Special revenue funds:		
Michigan merit award trust fund.....		90,000,000
State general fund/general purpose	\$	(90,000,000)

Department of human services.

Sec. 109. DEPARTMENT OF HUMAN SERVICES

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	14,382,300
Total interdepartmental grants and intradepartmental transfers.....		0

	For Fiscal Year Ending Sept. 30, 2007
ADJUSTED GROSS APPROPRIATION	\$ 14,382,300
Total federal revenues	(16,533,400)
Total local revenues.....	6,000,000
Total private revenues.....	0
Total other state restricted revenues	(8,607,700)
State general fund/general purpose	\$ 33,523,400
(2) EXECUTIVE OPERATIONS	
Contractual services, supplies and materials	\$ 950,000
GROSS APPROPRIATION	\$ 950,000
Appropriated from:	
Federal revenues:	
Total federal revenues	950,000
State general fund/general purpose	\$ 0
(3) ADULT AND FAMILY SERVICES	
Nutrition education	\$ 1,914,000
GROSS APPROPRIATION	\$ 1,914,000
Appropriated from:	
Federal revenues:	
Total federal revenues	1,914,000
State general fund/general purpose	\$ 0
(4) CHILD AND FAMILY SERVICES	
Wayne County foster care payments	\$ (3,000,000)
Adoption subsidies.....	(7,200,000)
Strong families/safe children	1,512,800
ECIC, early childhood investment corporation	1,700,000
GROSS APPROPRIATION	\$ (6,987,200)
Appropriated from:	
Federal revenues:	
Total federal revenues	(16,887,200)
Special revenue funds:	
Local funds - county chargeback	6,000,000
State general fund/general purpose	\$ 3,900,000
(5) JUVENILE JUSTICE SERVICES	
Child care fund.....	\$ 5,000,000
GROSS APPROPRIATION	\$ 5,000,000
Appropriated from:	
Federal revenues:	
Total federal revenues	(4,700,000)
State general fund/general purpose	\$ 9,700,000
(6) PUBLIC ASSISTANCE	
Family independence program.....	\$ 25,123,400
State disability assistance payments	2,800,000
State supplementation	(400,000)
Day care services.....	(16,700,000)
Emergency services local office allocations	500,000
GROSS APPROPRIATION	\$ 11,323,400
Appropriated from:	
Federal revenues:	
Total federal revenues	7,700

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Special revenue funds:	
Child support collections	\$ (7,907,700)
Supplemental security income recoveries	800,000
Public assistance recoupment revenue	(1,500,000)
State general fund/general purpose	\$ 19,923,400
(7) INFORMATION TECHNOLOGY	
Child support automation.....	\$ 2,182,100
GROSS APPROPRIATION	\$ 2,182,100
Appropriated from:	
Federal revenues:	
Total federal revenues	2,182,100
State general fund/general purpose	\$ 0

Department of information technology.

Sec. 110. DEPARTMENT OF INFORMATION

TECHNOLOGY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 5,546,200
Total interdepartmental grants and intradepartmental transfers.....	5,546,200
ADJUSTED GROSS APPROPRIATION	\$ 0
Total federal revenues	0
Total local revenues.....	0
Total private revenues.....	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 0

(2) ADMINISTRATION

Public protection.....	\$ 5,546,200
GROSS APPROPRIATION	\$ 5,546,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police.....	5,546,200
State general fund/general purpose	\$ 0

Judiciary.

Sec. 111. JUDICIARY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 3,090,000
Total interdepartmental grants and intradepartmental transfers.....	0
ADJUSTED GROSS APPROPRIATION	\$ 3,090,000
Total federal revenues	1,500,000
Total local revenues.....	890,000
Total private revenues.....	0
Total other state restricted revenues	700,000
State general fund/general purpose	\$ 0

(2) SUPREME COURT

Judicial information systems	\$ 1,500,000
Direct trial automation support	890,000
GROSS APPROPRIATION	\$ 2,390,000

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Appropriated from:

Federal revenues:

DOT, national highway traffic safety administration.....	\$	1,500,000
Special revenue funds:		
Local - user fees.....		890,000
State general fund/general purpose	\$	0

(3) GRANTS AND REIMBURSEMENTS TO LOCAL

GOVERNMENT

Drunk driving case-flow program.....	\$	700,000
GROSS APPROPRIATION	\$	<u>700,000</u>
Appropriated from:		
Special revenue funds:		
Drunk driving fund.....		700,000
State general fund/general purpose	\$	0

Department of labor and economic growth.

Sec. 112. DEPARTMENT OF LABOR AND ECONOMIC

GROWTH

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	11,473,700
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	11,473,700
Total federal revenues		10,000,000
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		1,473,700
State general fund/general purpose	\$	0

(2) PUBLIC SERVICE COMMISSION

Administration, planning, and development	\$	600,000
GROSS APPROPRIATION	\$	<u>600,000</u>
Appropriated from:		
Special revenue funds:		
Video franchise assessments.....		600,000
State general fund/general purpose	\$	0

(3) OFFICE OF FINANCIAL AND INSURANCE SERVICES

Policy conduct and consumer assistance	\$	873,700
GROSS APPROPRIATION	\$	<u>873,700</u>
Appropriated from:		
Special revenue funds:		
Consumer finance fees.....		300,000
Deferred presentment service transaction fees.....		573,700
State general fund/general purpose	\$	0

(4) DEPARTMENT GRANTS

Job training programs subgrantees	\$	10,000,000
GROSS APPROPRIATION	\$	<u>10,000,000</u>
Appropriated from:		
Federal revenues:		
DOD-ETA, workforce investment act		10,000,000
State general fund/general purpose	\$	0

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Department of management and budget.

Sec. 113. DEPARTMENT OF MANAGEMENT AND

BUDGET

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	15,200,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	15,200,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		0
State general fund/general purpose	\$	15,200,000

(2) STATE BUILDING AUTHORITY RENT

State building authority rent - state agencies	\$	15,200,000
GROSS APPROPRIATION	\$	15,200,000
Appropriated from:		
State general fund/general purpose	\$	15,200,000

Michigan strategic fund.

Sec. 114. MICHIGAN STRATEGIC FUND

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	8,000,000
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	8,000,000
Total federal revenues		8,000,000
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		0
State general fund/general purpose	\$	0

(2) MICHIGAN STRATEGIC FUND

Community development block grants	\$	8,000,000
GROSS APPROPRIATION	\$	8,000,000
Appropriated from:		
Federal revenues:		
HUD-CPD, community development block grant.....		8,000,000
State general fund/general purpose	\$	0

Department of military and veterans affairs.

Sec. 115. DEPARTMENT OF MILITARY AND VETERANS

AFFAIRS

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	3,870,900
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	3,870,900
Total federal revenues		3,027,300
Total local revenues.....		0
Total private revenues.....		0

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Total other state restricted revenues	\$	743,600
State general fund/general purpose	\$	100,000

(2) MILITARY TRAINING SITES AND SUPPORT FACILITIES

Michigan regional training institute.....	\$	450,000
GROSS APPROPRIATION	\$	450,000

Appropriated from:

Special revenue funds:

Michigan regional training institute revenue		350,000
State general fund/general purpose	\$	100,000

(3) DEPARTMENTWIDE APPROPRIATIONS

Starbase grant.....	\$	707,000
GROSS APPROPRIATION	\$	707,000

Appropriated from:

Federal revenues:

DOD-DOA-NGB.....		707,000
State general fund/general purpose	\$	0

(4) GRAND RAPIDS VETERANS' HOME

Grand Rapids veterans' home	\$	2,533,900
GROSS APPROPRIATION	\$	2,533,900

Appropriated from:

Federal revenues:

DVA-VHA.....		723,600
HHS-Medicare.....		1,416,700

Special revenue funds:

Income and assessments		393,600
State general fund/general purpose	\$	0

(5) D.J. JACOBETTI VETERANS' HOME

D.J. Jacobetti veterans' home	\$	180,000
GROSS APPROPRIATION	\$	180,000

Appropriated from:

Federal revenues:

HHS-Medicare.....		180,000
State general fund/general purpose	\$	0

Department of natural resources.

Sec. 116. DEPARTMENT OF NATURAL RESOURCES

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	1,158,000
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION	\$	1,158,000
Total federal revenues		278,000
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues		880,000
State general fund/general purpose	\$	0

(2) WILDLIFE MANAGEMENT

Wildlife management.....	\$	300,000
GROSS APPROPRIATION	\$	300,000

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Appropriated from:	
Special revenue funds:	
Game and fish protection fund - deer habitat reserve.....	\$ 300,000
State general fund/general purpose	\$ 0
(3) FOREST, MINERAL, AND FIRE MANAGEMENT	
Forest fire protection.....	\$ 278,000
Forest recreation and trails.....	250,000
Minerals management.....	225,000
GROSS APPROPRIATION	\$ 753,000
Appropriated from:	
Federal revenues:	
DHS-FEMA.....	278,000
Special revenue funds:	
Forestland user charges	225,000
Off-road vehicle trail improvement fund.....	250,000
State general fund/general purpose	\$ 0
(4) LAW ENFORCEMENT	
General law enforcement.....	\$ 50,000
GROSS APPROPRIATION	\$ 50,000
Appropriated from:	
Special revenue funds:	
Off-road vehicle trail improvement fund.....	50,000
State general fund/general purpose	\$ 0
(5) GRANTS	
Off-road vehicle trail improvement grants	\$ 55,000
GROSS APPROPRIATION	\$ 55,000
Appropriated from:	
Special revenue funds:	
Off-road vehicle trail improvement fund.....	55,000
State general fund/general purpose	\$ 0
Department of state.	
Sec. 117. DEPARTMENT OF STATE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 140,000
Total interdepartmental grants and intradepartmental transfers.....	0
ADJUSTED GROSS APPROPRIATION	\$ 140,000
Total federal revenues	140,000
Total local revenues.....	0
Total private revenues.....	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 0
(2) DEPARTMENT SERVICES	
Motorcycle safety education grants	\$ 80,000
GROSS APPROPRIATION	\$ 80,000
Appropriated from:	
Federal revenues:	
Total federal revenues	80,000
State general fund/general purpose	\$ 0

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(3) REGULATORY SERVICES

Operations	\$	60,000
GROSS APPROPRIATION	\$	<u>60,000</u>
Appropriated from:		
Federal revenues:		
Total federal revenues		60,000
State general fund/general purpose	\$	0

Department of state police.

Sec. 118. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	10,621,500
Total interdepartmental grants and intradepartmental transfers.....		3,507,000
ADJUSTED GROSS APPROPRIATION	\$	7,114,500
Total federal revenues		714,500
Total local revenues.....		500,000
Total private revenues.....		0
Total other state restricted revenues		5,900,000
State general fund/general purpose	\$	0

(2) EXECUTIVE DIRECTION

Executive direction	\$	(4,200)
Auto theft prevention program.....		<u>4,000,000</u>
GROSS APPROPRIATION	\$	3,995,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOT, state trunkline fund		450,000
Special revenue funds:		
Auto theft prevention fund.....		4,000,000
State general fund/general purpose	\$	(454,200)

(3) DEPARTMENTWIDE APPROPRIATIONS

Fleet leasing	\$	567,200
GROSS APPROPRIATION	\$	<u>567,200</u>
Appropriated from:		
Federal revenues:		
Federal narcotics investigation revenues		567,200
State general fund/general purpose	\$	0

(4) SUPPORT SERVICES

Human resources	\$	(4,200)
Management services.....		1,175,400
Training administration		(32,600)
Communications.....		(561,100)
Budget and financial services.....		<u>(2,500)</u>
GROSS APPROPRIATION	\$	575,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG, training academy charges		(32,600)
IDG-MDTR, emergency telephone fund coordinator.....		389,400
IDG-MDTR, emergency telephone fund operations		786,000