

HOUSE BILL No. 6475

November 7, 2002, Introduced by Rep. Kolb and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 270.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 270. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2002, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY
3 THIS ACT EQUAL TO THE COST PAID IN THE TAX YEAR TO INCREASE THE
4 ENERGY EFFICIENCY OF HIS OR HER PRIMARY RESIDENCE IN 1 OR MORE OF
5 THE FOLLOWING WAYS, OR \$2,500.00 PER TAX YEAR, WHICHEVER IS
6 LESS:

7 (A) PURCHASE AND INSTALL A HEATING OR COOLING SYSTEM THAT IS
8 AT LEAST 30% OR MORE ENERGY EFFICIENT THAN A STANDARD HEATING OR
9 COOLING SYSTEM.

10 (B) PURCHASE AND INSTALL A CLOTHES WASHER OR DRYER,
11 REFRIGERATOR, FREEZER, AIR CONDITIONER, OR OTHER MAJOR APPLIANCE

1 THAT IS AT LEAST 30% OR MORE ENERGY EFFICIENT THAN A STANDARD
2 APPLIANCE.

3 (C) INSTALL INSULATION THAT INCREASES THE ENERGY EFFICIENCY
4 OF THE PRIMARY RESIDENCE BY 30% OR MORE.

5 (D) PURCHASE AND INSTALL AN ALTERNATIVE ENERGY SYSTEM IN THE
6 PRIMARY RESIDENCE.

7 (2) THE DEPARTMENT, IN CONJUNCTION WITH THE DEPARTMENT OF
8 ENVIRONMENTAL QUALITY, SHALL DEVELOP ENERGY EFFICIENCY GUIDELINES
9 FOR TAXPAYERS TO USE IN CALCULATING THE CREDIT UNDER THIS
10 SECTION.

11 (3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
12 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
13 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE
14 REFUNDED.

15 (4) AS USED IN THIS SECTION:

16 (A) "ALTERNATIVE ENERGY SYSTEM" MEANS THAT TERM AS DEFINED
17 IN SECTION 2 OF THE MICHIGAN NEXT ENERGY AUTHORITY ACT, 2002
18 PA 593, MCL 207.822.

19 (B) "PRIMARY RESIDENCE" MEANS THE RESIDENCE FOR WHICH THE
20 TAXPAYER CLAIMS A HOMESTEAD EXEMPTION UNDER SECTION 7CC OF THE
21 GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.7CC.