

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4443**

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding sections 279 and 679.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 279. (1) For tax years that begin on and after January 1,**
2 **2021, a taxpayer that is a distributor who originates a deposit on**
3 **a beverage container may claim a credit against the tax imposed**
4 **under this part equal to the sum of the following:**

5 **(a) Except as otherwise provided under this subdivision,**
6 **\$0.005 per returnable container sold during the tax year. Beginning**
7 **with the 2022 tax year and each tax year after 2022, the amount of**
8 **the credit allowed under this subdivision shall be adjusted by the**
9 **percentage increase in the United States Consumer Price Index for**



1 the immediately preceding calendar year.

2 (b) The refund value established under section 2 of 1976 IL 1,
3 MCL 445.572, per returnable container over-redeemed during the tax
4 year.

5 (2) The taxpayer shall attach the report required under
6 section 3a of 1976 IL 1, MCL 445.573a, to the annual return filed
7 under this part on which a credit under this section is claimed.

8 (3) If the distributor is a partnership, limited liability
9 company, or subchapter S corporation, the credit under this section
10 may be claimed against the partner's, member's, or shareholder's
11 tax liability under this part based on the partner's, member's, or
12 shareholder's proportionate share of ownership or an alternative
13 method approved by the department. If the credit allowed by this
14 section exceeds the tax liability of the taxpayer for the tax year,
15 that portion of the credit that exceeds the tax liability of the
16 taxpayer for the tax year shall be refunded.

17 (4) As used in this section:

18 (a) "Beverage container", "distributor", and "returnable
19 container" mean those terms as defined in section 1 of 1976 IL 1,
20 MCL 445.571.

21 (b) "United States Consumer Price Index" means the United
22 States Consumer Price Index for all urban consumers as defined and
23 reported by the United States Department of Labor, Bureau of Labor
24 Statistics.

25 Sec. 679. (1) For tax years that begin on and after January 1,
26 2021, a taxpayer that is a distributor who originates a deposit on
27 a beverage container may claim a credit against the tax imposed
28 under this part equal to the sum of the following:

29 (a) Except as otherwise provided under this subdivision,



1 \$0.005 per returnable container sold during the tax year. Beginning
2 with the 2022 tax year and each tax year after 2022, the amount of
3 the credit allowed under this subdivision shall be adjusted by the
4 percentage increase in the United States Consumer Price Index for
5 the immediately preceding calendar year.

6 (b) The refund value established under section 2 of 1976 IL 1,
7 MCL 445.572, per returnable container over-redeemed during the tax
8 year.

9 (2) The taxpayer shall attach the report required under
10 section 3a of 1976 IL 1, MCL 445.573a, to the annual return filed
11 under this part on which a credit under this section is claimed.

12 (3) If the credit allowed by this section exceeds the tax
13 liability of the taxpayer for the tax year, that portion of the
14 credit that exceeds the tax liability of the taxpayer for the tax
15 year shall be refunded.

16 (4) As used in this section:

17 (a) "Beverage container", "distributor", and "returnable
18 container" mean those terms as defined in section 1 of 1976 IL 1,
19 MCL 445.571.

20 (b) "United States Consumer Price Index" means the United
21 States Consumer Price Index for all urban consumers as defined and
22 reported by the United States Department of Labor, Bureau of Labor
23 Statistics.

