

HOUSE BILL NO. 5806

June 12, 2024, Introduced by Reps. Schmaltz, Aragona, Thompson, Kunse, DeBoyer, Tisdell, DeBoer, Steele, Zorn, Alexander, Posthumus, Kuhn and VanderWall 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 206.847) by adding section 280.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 280. (1) For tax years that begin on and after January 1,
2 2025, a taxpayer who makes a down payment on the purchase of a
3 single-family residence during the tax year may claim a credit
4 against the tax imposed under this part in an amount equal to 10%
5 of the down payment or \$3,000.00, whichever is less.

6 (2) To qualify for the credit under this section, the taxpayer

1 must attach a copy of the settlement statement to the annual return
2 filed under this part on which a credit under this section is
3 claimed.

4 (3) As used in this section:

5 (a) "Principal residence" means that term as defined in
6 section 7dd of the general property tax act, 1893 PA 206, MCL
7 211.7dd.

8 (b) "Settlement statement" means the statement of receipts and
9 disbursements for a transaction related to real estate, including a
10 statement prescribed under the real estate settlement procedures
11 act of 1974 (RESPA), 12 USC 2601 to 2617, or an executed sales
12 agreement for the purchase of a manufactured home being conveyed as
13 personal property.

14 (c) "Single-family residence" means a single-family residence
15 owned and occupied by the taxpayer as the taxpayer's principal
16 residence and for which an exemption is granted to the taxpayer
17 under section 7cc of the general property tax act, 1893 PA 206,
18 211.7cc. Single-family residence includes a manufactured home,
19 trailer, mobile home, condominium unit, or cooperative.