

Brownfield Tax Credit Amendment Policy – effective August 25, 2015

Criteria to consider Single Business Tax/Michigan Business Tax Credit Amendments:

- Ability to meet current Community Development Guidance or Business Development goals.
- Economic impact on the community and State through private investment and/or job creation.
- Ability to consider significant scope changes for projects that currently meet Community Development Guidance or Business Development goals where the maximum credit value is not increased.
- Ability to convert Single Business Tax credits to certified Michigan Business Tax credits.
- Amend the percentage of a 10% tax credit to a 12.5-20% certified tax credit provided that the maximum credit value is not increased.
- Spread out the State's liability by multi-phasing projects, or extending time to complete the project.
- Accurately account for changes in finances, increased costs and other market conditions to achieve project completion.
- Ability to expedite the project completion.
- Reduction to the State's liability by reducing the eligible investment and the credit amount.
- The MSF will not consider amending projects that do not have firm lending commitments in place and are not ready to initiate construction activities.
- Taxpayers are required to submit a request for certification of completion within a year of project completion.
- Any other amendment that MEDC staff deems necessary.

Authority to approve Single Business Tax/Michigan Business Tax Credit Amendments:

Michigan Strategic Fund Board:

- Significant project scope changes, or where additional Michigan Strategic Fund incentives greater than \$1 million in funding support is considered.

General Delegation of Authority, Resolution 2014-122, provided the MSF Board for implementation by the Fund Manager or MSF President through approved delegated authority:

- Addition of qualified taxpayers to project pre-approval letters;
- Grant the ability to convert Single Business Tax credits to certificated Michigan Business Tax credits;
- Amend the percentage of a 10% tax credit to a 12.5% certificated tax credit provided that the maximum credit value is not increased;
- Approve scope changes provided that the new scope is consistent with the project intent; and
- Add time to eligible investment and non-environmental eligible activities provided that the time does not exceed the statutory limit.

In addition to resolution 2014-122, delegated authority shall be provided for:

- The multi-phasing of projects, amend the percentage up to 20% provided that the maximum credit value is not increased and any other minor administrative corrections.