

MICHIGAN Appendix

Key MICHIGAN Subsidy Programs

Program	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Brownfield Redevelopment TIF & MBT -a large corporate income tax credit program based on up to 20 percent of the value of investments in blighted contaminated or obsolete properties; revamped in 2011, its annual appropriation was reduced drastically and merged with a replacement for MEGA tax credits	\$45.4 million (FY 2012)	Source 1 Source 2 Source 3	33/100
Film and Digital Media Incentive -an expensive program providing corporate income tax credits for up to 42% of film production expenses; criticized as wasteful and for subsidizing some fraudulent activities; revamped in 2011 because of controversy, it is now a capped cash grant program	\$93 million (FY 2012)	Source 1 Source 2 Source 3	68/100
MEGA (Michigan Economic Growth Authority) Tax Credits - an expensive and controversial corporate income tax credit program for companies expanding or relocating in the state; although the program was discontinued in 2011, it will continue to be a fiscal drain on Michigan until 2031	\$116 million (FY 2013)	Source 1 Source 2 Source 3	58/100
Michigan Business Tax Battery Credit - large tax-credit subsidies awarded to businesses seeking to commercialize advanced battery technology for electric cars; although the program was discontinued in 2011, it will continue to be a fiscal drain on the state	\$285 million (FY 2013)	Source 1 Source 2 Source 3	58/100
Renaissance Zone Program - the state's version of enterprise zones provides a variety of tax breaks for companies located in designated areas	\$97.4 million (FY 2013)	Source 1 Source 2 Source 3	73/100
Average of Disclosure Scores for All Programs			58% (290/500)

*See next page for scoring details

Show Us the Subsidized Jobs: Scoring Details for MICHIGAN Programs		<i>Maximum possible score for category</i>	Brownfield Redevelopment TIF & MBT	Film and Digital Media Tax Credit	MEGA (Michigan Economic Growth Authority) Tax Credits	Michigan Business Tax Battery Credit	Renaissance Zone Program
<i>Score criteria</i>							
Subsidy Value	BOTH amount approved AND actual amount disbursed/claimed (15) -	15	10	10	10	10	10
	Either amount approved OR actual amount disbursed/claimed (10) -or-						
	Performance-based with actual amount disbursed/claimed (15)						
Status of Award	Indication or whether award is completed, active, terminated (5)	15	0	10	10	10	10
	Disclosure of whether enforcement action taken (5)						
	Disclosure of amount clawed back or recalibrated or rescinded (5)						
Jobs Reporting	Number of jobs or training slots promised/projected ONLY (5) -or-	20	5	15	20	20	20
	Actual number of jobs created/retained or trainings ONLY (15) -or-						
	BOTH promised/projected and actual (20)						
Wages Reporting	Wage rates/payroll promised/projected only (10) -or-	20	0	15	0	0	15
	Actual wage rates/payroll only (15) -or-						
	Both promised and actual (18) -or-						
	Either promised and actual with wage disaggregation (20)						
Project Information	Location with street address (10)	15	12	12	12	12	12
	Indication whether the project is a relocation (3)						
	Project documents OR total subsidy package data (2)						
Company Information	DUNS or FEIN (2)	5	0	0	0	0	0
	NAICS (1)						
	Parent company (2)						
User Features	Ease of access (3)	10	6	6	6	6	6
	Multiple years of data (3)						
	Downloadable (2)						
	Part of or linked to a wider government transparency site (2)						
<i>Total before penalty</i>		100	33	68	58	58	73
<i>Penalty points (see reasoning on following page)</i>			0	0	0	0	0
TOTAL PROGRAM SCORE			33	68	58	58	73

*See next page for notes on scoring

Michigan Program Scoring Notes

<http://www.michiganbusiness.org/projects>

<http://www.michiganbusiness.org/legislative-reports/>

http://www.michiganbusiness.org/cm/files/reports_to_mi_legislature_page_docs/2012-medc-msf-annual-activities-report.pdf

Finding disclosure data on the Michigan Economic Development Corporation's website is tricky as there are numerous reports that one must look at in order to find all the relevant data. The first way of accessing information is through the mapping application on the MEDC website. These are labeled as Disclosure Website 1 below. In the sidebar of the mapping application, a user may now search for program names, recipients, cities, and other relevant information. This data is then presented in a PDF. These PDFs each contain information about the projected number of jobs, the value of the subsidy awarded, a short narrative about the project, the facility address, and the complete package of subsidies awarded. Unfortunately, this data is not available for download into a spreadsheet.

The second way of accessing data is through legislative reports which have been compiled into a single page from multiple fiscal years. This is second link above. Within each program below, we link to the specific portion of the page with the relevant information. These reports include information about the Status of Award, actual job outcomes, and actual wages (only in the case of Renaissance Zones).

The third link above goes to the FY 2012 annual report from the MEDC. This report is the closest to being comprehensive, but it excludes important information found in other sources such as job and wage data for the Renaissance Zone program.

Brownfield Redevelopment TIF & MBT

<http://www.michiganbusiness.org/legislative-reports/#section5>

http://www.michiganbusiness.org/cm/Files/Reports_to_MI_Legislature_Page_Docs/2012-LEG-Brownfield-Redevelopment-Financing-Act-Report.pdf

The Brownfield Redevelopment MBT is phasing out, while the Brownfield TIF is becoming the dominant program for brownfield redevelopment.

Film and Digital Media Tax Credit

<http://www.michiganbusiness.org/legislative-reports/#section12>

http://www.michiganbusiness.org/cm/files/reports/film_office/michigan-film-office-2011-annual-report.pdf

Although Michigan imposed a cap on the film program lasting through 2015, the program has not been discontinued. Points were awarded in the Status of Award category for disclosing the status and whether an enforcement action was taken.

MEGA (Michigan Economic Growth Authority) Tax Credits

<http://www.michiganbusiness.org/legislative-reports/#section8>

[http://www.michiganbusiness.org/cm/Files/Reports to MI Legislature Page Docs/MEGA-FY13-Annual-Report-22Oct13.pdf](http://www.michiganbusiness.org/cm/Files/Reports_to_MI_Legislature_Page_Docs/MEGA-FY13-Annual-Report-22Oct13.pdf)

Points were awarded in the Status of Award category for disclosing the status and whether an enforcement action was taken.

Michigan Business Tax Battery Credit

<http://www.michiganbusiness.org/legislative-reports/#section8>

[http://www.michiganbusiness.org/cm/Files/Reports to MI Legislature Page Docs/MEGA-FY13-Annual-Report-22Oct13.pdf](http://www.michiganbusiness.org/cm/Files/Reports_to_MI_Legislature_Page_Docs/MEGA-FY13-Annual-Report-22Oct13.pdf)

Points were awarded in the Status of Award category for disclosing the status and whether an enforcement action was taken. It should be noted that the Battery Credits are disclosed in the same report as the MEGA tax credit report.

Renaissance Zone Program

<http://www.michiganbusiness.org/legislative-reports/#section9>

[http://www.michiganbusiness.org/cm/Files/Reports to MI Legislature Page Docs/LEG-2012-Renaissance-Zone-Legislative-Report.pdf](http://www.michiganbusiness.org/cm/Files/Reports_to_MI_Legislature_Page_Docs/LEG-2012-Renaissance-Zone-Legislative-Report.pdf)

Points were awarded in the Status of Award category for disclosing the status and whether an enforcement action was taken.