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# HOUSE FISCAL AGENCY

124 N. Capitol Avenue  
4 – North, HOB Lansing, MI

**HB4479** AS AMENDED BY THE HOUSE  
H-1

**Sponsor** Rep. Patricia Birkholz  
**Committee** TAX POLICY

**Analyst(s)** Ross, Rebecca

**Completed** 3/28/01

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### State Fiscal Impact

**Cost** None  
**Revenues** Decrease

### Local Fiscal Impact

**Cost** None  
**Revenues** None

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House Bill 4479 (H-1), as amended, would amend the income tax act to provide for a refundable credit for households at or below 125% of the poverty level for 1) 10% of the cost of the purchase and installation of an appliance or furnace that has an energy efficient label and 2) 75% of the cost of weatherization of the home and home heating systems to improve the heating efficiency, including but not limited to, caulk, weather-stripping, insulation, and installation of furnace ignition systems, clock thermostats, storm windows, or storm doors. Weatherization does not include windows other than storm windows, doors other than storm doors, or furnaces other than a furnace ignition system.

The fiscal impact of HB 4479 (H-1), as amended, depends on the number of households at or below 125% of the poverty level. In addition, the number of households that are homeowners, the annual amount spent on energy efficient appliances and weatherization, as specified in the bill, and the number of taxpayers or households that would apply for the credit are key factors used to determine the fiscal impact. If 10% of the homeowners were to spend \$1,600 on weatherization, i.e., storm windows or insulation, then the fiscal impact would be an estimated \$30.0 million reduction in income tax revenue. This fiscal impact would be almost entirely a reduction to General Fund/General Purpose (GF/GP) revenue.