

HOUSE BILL No. 4871

May 28, 1991, Introduced by Reps. Hickner, Byrum, DeMars, DeBeaussaert, Gubow, Walberg, Bouchard, Pitoniak, Anthony, Berman and Dalman and referred to the Committee on Taxation.

A bill to amend section 263 of Act No. 281 of the Public Acts of 1967, entitled
"Income tax act of 1967,"
as amended by Act No. 130 of the Public Acts of 1986, being
section 206.263 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 263 of Act No. 281 of the Public Acts of
2 1967, as amended by Act No. 130 of the Public Acts of 1986, being
3 section 206.263 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 263. (1) A taxpayer who is engaged in agricultural
6 operations as defined in section 9 of THE GENERAL PROPERTY TAX
7 ACT, Act No. 206 of the Public Acts of 1893, as amended, being
8 section 211.9 of the Michigan Compiled Laws, may claim a credit
9 against the tax imposed by this act for the taxable year in an

1 amount equal to 20% of the current wholesale market value of the
2 agricultural products ~~which~~ THAT the taxpayer ~~allowed~~ ALLOWS
3 to be gleaned from the agricultural property. The department
4 shall upon request provide the taxpayer with a form required to
5 obtain a credit under this section.

6 (2) The credit allowed under this section shall not exceed
7 the tax liability for the taxable year.

8 (3) A partner or shareholder in a corporation or partnership
9 with not more than 8 shareholders or partners may claim the
10 credit permitted by this section against his or her individual
11 income tax liability for gleaning permitted by the partnership or
12 corporation. The credit shall be a percentage of the credit per-
13 mitted in subsection (1) equal to the percentage of the person's
14 ownership in the partnership or corporation.

15 (4) A taxpayer claiming a credit under this section shall
16 provide, on a form prescribed by the department, a certification
17 by the organization conducting the gleaning ~~of~~ of the following
18 information:

19 (a) The name and address of the organization.

20 (b) The amount and type of the crop.

21 (c) The current wholesale market value of the appropriate
22 USDA grade for that crop.

23 (d) A description of the process followed by the organi-
24 zation for distribution of the crops.

25 (5) As used in this section, "glean" means the process of
26 collecting crops ~~which~~ THAT were not harvested in the normal
27 course by the agricultural operations when the collecting is

1 performed for charitable purposes to provide food for human
2 consumption and not for sale. For purposes of this section,
3 gleaning shall be performed only by an organization or agency
4 operated not for profit.

5 (6) The credit allowed under this section ~~shall not apply~~
6 APPLIES for THE 1991 THROUGH THE 1993 tax years. ~~commencing~~
7 ~~after December 31, 1988.~~