

SENATE BILL NO. 765

October 21, 1997, Introduced by Senators PETERS,
DE BEAUSSAERT, A. SMITH, BYRUM, YOUNG, CONROY, HART
and STALLINGS and referred to the Committee on Finance.

A bill to amend 1975 PA 228, entitled
"Single business tax act,"
(MCL 208.1 to 208.145) by adding section 39c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 39C. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 1997 AND SUBJECT TO SUBSECTIONS (2) TO (4), A TAXPAYER MAY CREDIT
3 AGAINST THE TAX IMPOSED BY THIS ACT 50% OF THE VALUE OF COMPUTER
4 EQUIPMENT DONATED BY THE TAXPAYER DURING THE TAX YEAR TO A PUBLIC
5 SCHOOL OR \$5,000.00, WHICHEVER IS LESS.
6 (2) THE VALUE OF COMPUTER EQUIPMENT USED TO CALCULATE THE
7 CREDIT UNDER THIS SECTION SHALL BE SUPPORTED BY ACTUAL ITEMIZED
8 RECEIPTS FOR NEWLY PURCHASED COMPUTER EQUIPMENT OR BY WRITTEN
9 APPRAISALS, TRADE JOURNALS, OR SIMILAR EVIDENCE FOR USED COMPUTER
10 EQUIPMENT.

1 (3) TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, THE
2 COMPUTER EQUIPMENT SHALL BE DONATED TO THE PUBLIC SCHOOL IN THE
3 TAX YEAR AND BE ACCEPTED BY THE PUBLIC SCHOOL IN THE SAME TAX
4 YEAR.

5 (4) THE TAXPAYER SHALL ATTACH TO THE ANNUAL RETURN ON WHICH
6 A CREDIT IS CLAIMED UNDER THIS SECTION A LETTER FROM THE PUBLIC
7 SCHOOL TO WHICH A DONATION WAS MADE THAT STATES THAT THE COMPUTER
8 EQUIPMENT WAS DONATED BY THE TAXPAYER, THAT THE PUBLIC SCHOOL
9 ACCEPTED THE COMPUTER EQUIPMENT AS A DONATION, AND THAT THE COM-
10 PUTER EQUIPMENT WAS IN GOOD WORKING ORDER.

11 (5) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX
12 YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS
13 SECTION EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR,
14 THAT PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR
15 SHALL NOT BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX
16 LIABILITY IN SUBSEQUENT TAX YEARS FOR 5 YEARS OR UNTIL USED UP,
17 WHICHEVER OCCURS FIRST.

18 (6) AS USED IN THIS SECTION:

19 (A) "COMPUTER EQUIPMENT" MEANS COMPUTER PARTS, COMPONENTS,
20 AND OTHER HARDWARE AND COMPUTER SOFTWARE.

21 (B) "PUBLIC SCHOOL" MEANS A PUBLIC SCHOOL AS THAT TERM IS
22 DEFINED IN SECTION 5 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL
23 380.5.