

Act No. 82
Public Acts of 1997
Approved by the Governor
July 25, 1997
Filed with the Secretary of State
July 25, 1997
EFFECTIVE DATE: July 25, 1997

STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1997

Introduced by Reps. Frank, Freeman, Harder, Wojno, Brewer, Anthony, Hale, Thomas, Leland, Mathieu, Agee, Cherry, Schauer, DeHart, Bogardus, Kilpatrick, Willard, Martinez, Baird, Prusi, Varga, Goschka, Gire, Kaza, Raczkowski, Baade and Callahan
Reps. Alley, Bodem, Brown, Cassis, Curtis, Dobronski, Gagliardi, Geiger, Hammerstrom, Hanley, Jaye, Jelinek, Kukuk, Law, Llewellyn, McBryde, Middaugh, Middleton, Nye, Olshove, Palamara, Price, Profit, Quarles, Rison, Rocca, Schermesser, Scott, Stallworth, Tesanovich, Vaughn, Voorhees and Wallace named co-sponsors
Reps. DeVuyst, Gustafson, Johnson, Kelly and Murphy named co-sponsors

ENROLLED HOUSE BILL No. 4191

AN ACT to amend 1967 PA 281, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," by amending section 274 (MCL 206.274), as amended by 1996 PA 484.

The People of the State of Michigan enact:

Sec. 274. (1) For the 1995 tax year and each tax year after the 1995 tax year and subject to the limitations in this section, a claimant who has adjusted gross income of \$200,000.00 or less and who is a resident of this state may claim a credit against the tax due under this act for fees and tuition paid by the claimant on behalf of the claimant or any other student to a qualified institution of higher learning.

(2) A claimant may claim a credit under this section equal to the following amounts for the following periods:

(a) For the 1995, 1996, and 1997 tax years, 4% of the sum of all fees and tuition paid, not to exceed \$250.00 for each student for each tax year.

(b) For the 1998 tax year and each tax year after the 1998 tax year, 8.0% of the sum of all fees and tuition paid, not to exceed \$375.00 for each student for each tax year.

(3) A credit shall not be claimed under this section for more than 4 tax years for any 1 student.

(4) The credit under this section may be claimed on a separate form exclusive of any other form required by this act.

(5) The department may require reasonable proof from the claimant in support of the fees and tuition payments claimed under this section.

(6) The department may promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement this section.

(7) The total amount of credits claimed in a tax year for tuition and fees paid by or on behalf of any 1 student shall not exceed the maximum amount allowable under subsection (2).

(8) As used in this section:

(a) "Fees" means fees required of and uniformly paid by all students and that have been promulgated and published in the catalog of the qualified institution of higher learning.

(b) "Qualified institution of higher learning" means an institution that meets all of the following criteria:

(i) The institution meets the criteria for an institution of higher learning under section 260.

(ii) The institution is located in this state.

(iii) The instructional programs of the institution are not comprised solely of sectarian instruction or religious worship.

(iv) For the 1995 tax year and each tax year after the 1996 tax year, the institution has provided a letter of notification to the state treasurer before July 1 of the tax year that states that the institution will not increase fees and tuition rates during the ensuing academic year by more than the annual average percentage increase in the United States consumer price index in the immediately preceding tax year.

(v) For the 1996 tax year only, the institution has provided a letter of notification to the state treasurer on or before December 31, 1996 that states that the institution will not increase fees and tuition rates during the 1996-1997 academic year by more than 3% above the fees and tuition rates for the 1995-1996 academic year.

(c) "Tuition" means in-state tuition less any refunds of tuition received by the claimant or student paid for any of the following:

(i) Credits for an undergraduate degree program.

(ii) Credits granted by a community college or a 2-year private college toward a degree program or granted for the purpose of transferring those credits toward an undergraduate degree program.

(d) "United States consumer price index" means the United States consumer price index for all urban consumers as defined and reported by the United States department of labor, bureau of labor statistics, and as certified by the state treasurer.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 89th Legislature are enacted into law:

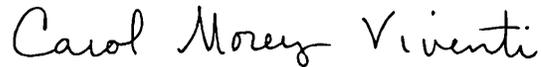
(a) House Bill No. 4872.

(b) Senate Bill No. 303.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved

Governor.