

HOUSE BILL No. 4601

April 17, 2001, Introduced by Reps. Jansen, Hart, Van Woerkom, Kooiman, Vander Veen, Ruth Johnson, Birkholz, Richner, Tabor, Gosselin and O'Neil and referred to the Committee on Tax Policy.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 39D. (1) FOR TAX YEARS THAT BEGIN ON OR AFTER JANUARY
2 1, 2001, A TAXPAYER MAY DEDUCT TO THE EXTENT NOT DEDUCTED IN
3 DETERMINING FEDERAL TAXABLE INCOME AN AMOUNT EQUAL TO THE FAIR
4 MARKET VALUE OF AN ELIGIBLE PASSENGER VEHICLE DONATED BY THE TAX-
5 PAYER TO THE FAMILY INDEPENDENCE AGENCY OR A PARTICIPATING ORGAN-
6 IZATION PURSUANT TO THE WHEELS FOR WORK PROGRAM ADMINISTERED BY
7 THE FAMILY INDEPENDENCE AGENCY LESS THE AMOUNT OF A FEDERAL
8 CREDIT CLAIMED BY THE TAXPAYER IN THE TAX YEAR UNDER THE INTERNAL
9 REVENUE CODE FOR THE DONATION OF THE SAME PASSENGER VEHICLE.

1 (2) IF THE CREDIT ALLOWED BY THIS SECTION EXCEEDS THE TAX
2 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THE EXCESS SHALL NOT
3 BE CARRIED FORWARD OR REFUNDED TO THE TAXPAYER.

4 (3) AS USED IN THIS SUBSECTION:

5 (A) "ELIGIBLE INDIVIDUALS" MEANS PERSONS WHO ARE WORK FIRST
6 CLIENTS, HAVE NO ACCESS TO PUBLIC TRANSPORTATION, HAVE A GOOD
7 DRIVING RECORD AS DETERMINED BY THE FAMILY INDEPENDENCE AGENCY,
8 AND HAVE NOT BEEN CONVICTED OF A FELONY.

9 (B) "PARTICIPATING ORGANIZATION" MEANS AN ORGANIZATION THAT
10 IS EXEMPT FROM TAXATION PURSUANT TO SECTION 501(c)(3) OF THE
11 INTERNAL REVENUE CODE AND THAT HAS AN AGREEMENT WITH THE FAMILY
12 INDEPENDENCE AGENCY TO PARTICIPATE IN THE WHEELS TO WORK
13 PROGRAM.

14 (C) "PASSENGER VEHICLE" MEANS THAT TERM AS DEFINED IN SEC-
15 TION 710C OF THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL
16 257.710C.

17 (D) "WHEELS TO WORK PROGRAM" MEANS THE PROGRAM ESTABLISHED
18 BY THE FAMILY INDEPENDENCE AGENCY THROUGH WHICH EITHER THE FAMILY
19 INDEPENDENCE AGENCY OR NONPROFIT ORGANIZATIONS SELECTED BY THE
20 FAMILY INDEPENDENCE AGENCY RENT OR LEASE PASSENGER VEHICLES TO
21 ELIGIBLE INDIVIDUALS TO ASSIST THOSE ELIGIBLE INDIVIDUALS TO MEET
22 THEIR EMPLOYMENT-RELATED TRANSPORTATION NEEDS. THE FAMILY INDE-
23 PENDENCE AGENCY SHALL ASSURE THAT AS PART OF THIS PROGRAM
24 LOW-COST OR SUBSIDIZED AUTO INSURANCE AND VEHICLE REPAIR AND
25 MAINTENANCE SERVICE ARE AVAILABLE TO PARTICIPATING ELIGIBLE
26 RECIPIENTS.