Legislative Analysis

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INCOME TAX CHECKOFF: LAW ENFORCEMENT OFFICERS MEMORIAL MONUMENT FUND

House Bill 5476
Sponsor: Rep. Barb Byrum
Committee: Commerce

Complete to 2-8-08

A SUMMARY OF HOUSE BILL 5476 AS INTRODUCED 11-28-07

The bill would amend the Income Tax Act (MCL 206.435) to create a new tax checkoff. It would allow taxpayers to contribute to the Michigan Law Enforcement Officers Memorial Monument Fund when filing an income tax return, beginning with the 2008 tax year. As with other checkoffs, taxpayers could contribute $5, $10, or more of a refund or could make a contribution that would be added to tax liability.

Under legislation enacted in 2007, tax checkoffs are to be gathered on a separate form (or schedule) to accompany the state individual income tax return. A separate line on the income tax return then allows all contributions from the contributions schedule (for checkoffs) to be totaled.

BACKGROUND INFORMATION:

The Michigan Law Enforcement Officers Memorial Act (Public Act 177 of 2004) created a memorial monument fund and established a commission to oversee the fund and the construction of a memorial monument to law enforcement officers killed in the line of duty.

Legislation in 2007 created tax checkoffs for the Prostate Cancer Research Fund, Amanda's Fund for Breast Cancer Research, the Animal Welfare Fund, and the Michigan Housing and Community Development Fund. These were added to several existing checkoffs for the Children's Trust Fund, the Children of Veterans Tuition Grant Program and the Military Family Relief Fund (now expired). For information on the 2007 legislation, see the analysis of Senate Bill 347 from the House Fiscal Agency dated 4-30-07.

FISCAL IMPACT:

Based on data from Michigan and other states, between $500,000 and $1.5 million could be generated from a checkoff. However, the popularity of a particular checkoff and the addition of choices for checkoff contributions would also affect the revenue generated by each checkoff.

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