

Legislative Analysis



INCOME TAX CHECKOFFS

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House Bills 6193 and 6194
Sponsor: Rep. John Pastor
Committee: Tax Policy

Complete to 12-2-08

A SUMMARY OF HOUSE BILLS 6193 AND 6194 AS INTRODUCED 6-3-08

House Bill 6194 would amend the Income Tax Act (MCL 206.435) to create three new checkoffs on the state income tax form, with the proceeds to go to (1) the Pregnant and Parenting Student Services Fund; (2) the Ultrasound Equipment Fund; and (3) the Children's Miracle Network Fund.

A taxpayer could designate that \$5, \$10, or more of a refund be credited each of these funds. If a refund was not sufficient to make a contribution, the taxpayer could designate a contribution amount that would be added to tax liability for the tax year.

The Pregnant and Parenting Student Services Fund is an existing fund that provides grants to institutions of higher education that provide such services on campus to pregnant students or students who are custodial parents or legal guardians of minors.

The Ultrasound Equipment Fund exists in the Public Health Code. Its purpose is to make grants for the purchase of ultrasound equipment. Grants require a 50 percent match and can only be made to entities that provide family planning or reproductive health services to low-income women at no cost or reduced cost. Recipients must agree to a number of conditions, including agreeing not to use the equipment to assist in the performance of an elective abortion.

House Bill 6193 would create the Children's Miracle Network Fund in the Department of Community Health to provide funds for donation to the Children's Miracle Network in order to support the network's hospitals in the state providing life-saving pediatric care, education, and research.

FISCAL IMPACT:

Taxpayer donations would come from their income tax refunds or would increase their tax liability. Based on data from Michigan and other states, between \$200,000 and \$500,000 could be generated annually from a checkoff. However, the popularity of a particular checkoff and the additions of choices for checkoff contributions also affect the revenue generated for each checkoff. This bill would have no direct local fiscal impact.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.