



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1467 (Substitute S-1 as reported)
Sponsor: Senator Michael Switalski
Committee: Agriculture

CONTENT

The bill would amend the Income Tax Act to permit an individual to designate on his or her tax return that \$5, \$10, or more of his or her income tax refund, or additional tax liability, be credited to the Renewable Fuels Fund (which Senate Bill 1130 would create).

Currently, an individual may designate a portion of his or her income tax refund to the Prostate Cancer Research Fund, Amanda's Fund for Breast Cancer Prevention and Treatment, the Animal Welfare Fund, the Michigan Housing and Community Development Fund, the Children of Veterans Tuition Grant Program, and the Children's Trust Fund.

The bill is tie-barred to Senate Bill 1130.

MCL 206.435

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State government. Each time a check-off is added, the Department of Treasury incurs administrative costs for implementing the necessary changes to the forms, and for processing the various contributions, including the administration of any special funds created. In 2005, the Department of Treasury received \$2.2 million in total contributions to the three check-offs then available. On average, the total amount of contributions in a given tax year has ranged from \$1.5 million to \$3.5 million, and the amount per check-off has varied from \$300,000 to \$2.1 million. It is difficult to predict the popularity of a new check-off and whether the addition of choices for check-off contributions would increase the total amount of contributions, or reduce the distribution to any given fund.

Date Completed: 9-19-08

Fiscal Analyst: Joe Carrasco