

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 53

A bill to amend 1964 PA 284, entitled  
"City income tax act,"  
(MCL 141.501 to 141.787) by adding section 36 to chapter 2.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 2

SEC. 36. (1) A TAXPAYER MAY DESIGNATE ON THE ANNUAL RETURN  
REQUIRED UNDER THIS ACT THAT A CONTRIBUTION OF A SPECIFIED AMOUNT  
OF A REFUND DUE THE TAXPAYER BE CREDITED TO THE CHECKOFF FUND WHICH  
SHALL BE A RESTRICTED FUND WITHIN THE GENERAL FUND OF THE CITY TO  
BE USED, EXCEPT AS OTHERWISE PERMITTED UNDER SUBSECTION (4), FOR  
THE PURPOSES SPECIFIED PURSUANT TO SECTION 10 OF CHAPTER 1.

(2) THE PURPOSES FOR WHICH THE MONEY WILL BE USED SHALL BE  
CLEARLY PRINTED ON THE ANNUAL RETURN OR IN THE INSTRUCTION BOOK  
THAT ACCOMPANIES THE ANNUAL RETURN.

1           (3) IF A TAXPAYER'S REFUND IS NOT SUFFICIENT TO MAKE A  
2 CONTRIBUTION UNDER THIS SECTION, THE TAXPAYER MAY DESIGNATE A  
3 CONTRIBUTION AMOUNT AND THAT CONTRIBUTION AMOUNT SHALL BE ADDED TO  
4 THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR.

5           (4) NOTWITHSTANDING ANY OTHER ALLOCATIONS OR DISBURSEMENTS  
6 REQUIRED BY THIS ORDINANCE, EACH YEAR THAT THE CONTRIBUTION  
7 DESIGNATION UNDER THIS SECTION IS IN EFFECT, AN AMOUNT EQUAL TO THE  
8 CUMULATIVE CONTRIBUTIONS MADE UNDER THIS SECTION, LESS THE AMOUNT  
9 APPROPRIATED TO THE CITY TO IMPLEMENT THIS SECTION, SHALL BE  
10 DEPOSITED INTO THE CHECKOFF FUND OF THE CITY. THE AMOUNT  
11 APPROPRIATED TO THE CITY UNDER THIS SUBSECTION SHALL NOT EXCEED 10%  
12 OF THE CUMULATIVE CONTRIBUTIONS MADE THAT YEAR.

13           (5) THE CHECKOFF FUND SHALL CONSIST OF THE MONEY CREDITED TO  
14 THE FUND UNDER THIS SECTION, ANY INTEREST AND EARNINGS ACCRUING  
15 FROM THE SAVING AND INVESTMENT OF THAT MONEY, AND OTHER  
16 APPROPRIATIONS, MONEY, OR THINGS OF VALUE RECEIVED BY THE CHECKOFF  
17 FUND.

18           (6) THE CITY TREASURER SHALL DIRECT THE INVESTMENT OF THE  
19 CHECKOFF FUND.

20           (7) MONEY IN THE CHECKOFF FUND AT THE CLOSE OF THE YEAR SHALL  
21 REMAIN IN THE CHECKOFF FUND AND SHALL NOT LAPSE TO THE GENERAL FUND  
22 OF THE CITY OR TO ANY OTHER FUND OF THE CITY.

23           (8) THE MONEY, INTEREST, AND EARNINGS OF THE CHECKOFF FUND  
24 SHALL BE EXPENDED, EXCEPT AS OTHERWISE PERMITTED UNDER SUBSECTION  
25 (4), FOR THE PURPOSES SPECIFIED IN THE AMENDMENT ADOPTED AS  
26 REQUIRED BY SECTION 10 OF CHAPTER 1.

27           Enacting section 1. This amendatory act does not take effect

1 unless House Bill No. 4120 of the 94th Legislature is enacted into  
2 law.