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Senate Bill 563 (as reported without amendment)  
Sponsor: Senator Tom George  
Committee: Finance

### **CONTENT**

The bill would amend the Income Tax Act to delete the sunset on a credit for the donation of an automobile to a qualified organization.

Under the Act, for tax years that begin after December 31, 2004, and before January 1, 2010, a taxpayer may claim a credit equal to 50% of the fair market value of an automobile the taxpayer donated to a qualified organization that intends to provide the automobile to a qualified recipient. For a taxpayer other than a resident estate or trust, the credit for a tax year may not exceed \$50 or, for a husband and wife filing jointly, \$100. If the credit exceeds the taxpayer's tax liability for the tax year, the excess is not refundable.

The bill would delete reference to the tax years for which the income tax credit may be claimed.

MCL 206.269

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would reduce State tax revenue by approximately \$0.1 million per year. According to estimates from the Department of Treasury, the current credit lowered FY 2007-08 revenue by \$116,000 and is expected to reduce FY 2008-09 revenue by \$121,000.

Date Completed: 10-15-09

Fiscal Analyst: David Zin