

# HOUSE BILL No. 5376

September 16, 2009, Introduced by Reps. Horn, Walsh, Moss, Meekhof, Green, Crawford, Stamas, DeShazor, Rick Jones, Haveman, Denby, Hansen, Booher, Kowall, Proos, Meltzer, Rogers, Schuitmaker, Paul Scott, Ball, Elsenheimer, Hildenbrand, Agema, Amash, Tyler, Genetski, McMillin, Daley, Moore, Rocca, Pavlov, Calley, Kurtz, Opsommer, Lori, Wayne Schmidt, Bolger, Knollenberg, Haines, Marleau and Lund and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 278.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 278. (1) FOR THE 2010 TAX YEAR AND EACH TAX YEAR AFTER  
2        2010, AN ELIGIBLE TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX  
3        IMPOSED UNDER THIS ACT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT  
4        THE ELIGIBLE TAXPAYER SHOULD HAVE RECEIVED DURING THE IMMEDIATELY  
5        PRECEDING YEAR UNDER THE MICHIGAN PROMISE GRANT ACT, 2006 PA 479,  
6        MCL 390.1621 TO 390.1628, AND THE AMOUNT THE ELIGIBLE TAXPAYER  
7        ACTUALLY RECEIVED DURING THE IMMEDIATELY PRECEDING YEAR AFTER  
8        ADJUSTMENTS MADE TO THE GRANT AMOUNT PURSUANT TO SECTION 5(3) OR  
9        6(4) OF THE MICHIGAN PROMISE GRANT ACT, 2006 PA 479, MCL 390.1625  
10       AND 390.1626.

1           (2) IF THE CREDIT ALLOWED UNDER THIS SECTION AND ANY UNUSED  
2 CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS SECTION EXCEED THE  
3 TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION THAT  
4 EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED  
5 BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT  
6 TAX YEARS UNTIL USED UP.

7           (3) AS USED IN THIS SECTION, "ELIGIBLE TAXPAYER" MEANS A  
8 TAXPAYER WHO IS A STUDENT WHO MEETS THE ELIGIBILITY REQUIREMENTS  
9 FOR AN AWARD OF A MICHIGAN PROMISE GRANT IN AN AMOUNT DETERMINED  
10 UNDER SECTION 5 OR 6 OF THE MICHIGAN PROMISE GRANT ACT, 2006 PA  
11 479, MCL 390.1625 OR 390.1626.