



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4084 (as discharged)
House Bill 4085 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Representative Jeff Farrington (H.B. 4084)
Representative Tom Cochran (H.B. 4085)
House Committee: Tax Policy
Senate Committee: Government Operations

CONTENT

House Bill 4084 would enact the "ALS of Michigan ('Lou Gehrig's disease') Fund Act" to do the following:

- Create the "ALS of Michigan ('Lou Gehrig's disease') Fund" in the Department of Treasury to provide funds for donation to ALS of Michigan to support research to find a cure for ALS (amyotrophic lateral sclerosis), to provide services to patients and their families through a variety of programs, and to support clinics in Michigan that provide a multidisciplinary approach to caring for people with ALS.
- Require the State Treasurer to credit to the Fund all amounts appropriated for this purpose under Section 435 of the Income Tax Act.
- Provide that money granted or received as a gift or donation to the Fund would be available for distribution upon appropriation to each county from which a contribution, gift, or donation was received.
- Require money in the Fund that was available for distribution to be appropriated each year.

House Bill 4085 (S-1) would amend Section 435 of the Income Tax Act to add the ALS of Michigan ("Lou Gehrig's disease") Fund to the schedule of tax check-offs (designations of voluntary contributions), beginning with the 2013 tax year.

The bill also would add the Michigan Amber Alert Fund to the tax check-off schedule, beginning with the 2013 tax year. (That Fund is proposed by Senate Bill 341.)

In addition, beginning in the 2010 tax year, the bill would add the Military Family Relief Fund to the Section 435 schedule. (A tax check-off for that Fund is currently required by Section 438.)

MCL 206.435 (H.B. 4085)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The revenue from the proposed income tax check-offs for the ALS of Michigan ("Lou Gehrig's disease") Fund and the Michigan Amber Alert Fund would depend on the size and number of taxpayer donations. These voluntary contributions would have no impact on State revenue.

The Department of Treasury would incur additional costs of an unknown amount to administer and track the proposed funds.

The income tax check-off revenue history in recent years is summarized in the Table 1 below. Several funds that previously were on the voluntary contributions schedule no longer appear on it. These are Amanda's Fund for Breast Cancer, Children's Hospital of Michigan Fund, Children's Miracle Network Fund, Foster Care Trust Fund, Michigan Council for the Arts Fund, Michigan Housing and Community Development Fund, Michigan Law Enforcement Memorial Fund, Prostate Cancer Research, and Renewable Fuels Fund. (Those that did not receive revenue during the three years shown on Table 1 are not listed on the table.)

Table 1
Estimated Income Tax Check-Off Donations by Fund

	Tax Year 2010		Tax Year 2011 ^{a)}		Tax Year 2012 ^{a)}	
	Number of Donations	Total Donated	Number of Donations	Total Donated	Number of Donations	Total Donated
Animal Welfare Fund ¹⁾	10,852	\$148,164	10,800	\$125,636	11,049	\$123,421
Children's Hospital of MI Fund	7,418	90,853				
Children's Miracle Network Fund	4,707	56,901				
Children's Trust Fund ¹⁾	7,387	92,631	8,499	88,839	8,126	84,009
Children of Veterans Tuition Grant Program ¹⁾	5,928	76,417	5,878	70,374	5,890	64,094
Foster Care Trust Fund	3,467	40,057				
Girl Scouts of Michigan Fund ¹⁾			3,500	44,163	3,277	38,844
Michigan Military Relief Fund ¹⁾	7,443	128,603	9,463	134,757	9,582	131,289
Michigan Council for the Arts Fund	3,356	34,677				
Renewable Fuels Fund	2,589	23,648				
Special Olympics Michigan ¹⁾					5,521	75,976
United Way Fund ¹⁾	7,747	389,080	5,574	163,937	5,016	163,169
Total		\$1,081,031		\$627,706		\$680,802

^{a)} Collections through May 23, 2013.

¹⁾ Check-offs on the 2012 contribution schedule.

Source: Department of Treasury

Date Completed: 6-5-13

Fiscal Analyst: Elizabeth Pratt