

SENATE BILL No. 342

May 1, 2013, Introduced by Senator HILDENBRAND and referred to the Committee on Government Operations.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 435 (MCL 206.435), as amended by 2012 PA 154.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 435. (1) Except as otherwise provided under this section,
2 for the 2008 tax year and each tax year after the 2008 tax year, an
3 individual may designate in a manner and form as prescribed by the
4 department pursuant to subsection (2) on his or her annual return
5 that contributions of \$5.00, \$10.00, or more of his or her refund
6 be credited to any of the following:

7 (a) For the 2010 tax year and each tax year after the 2010 tax
8 year, the Michigan higher education assistance authority created in
9 section 1 of 1960 PA 77, MCL 390.951, for the children of veterans
10 tuition grant program created in the children of veterans tuition
11 grant act, 2005 PA 248, MCL 390.1341 to 390.1346. No money from the
12 contributions designated to this subdivision shall be used for the

1 purpose of administering this section.

2 (b) For the 2010 tax year and each tax year after the 2010 tax
3 year, the children's trust fund created in 1982 PA 249, MCL 21.171
4 to 21.172.

5 (C) FOR THE 2010 TAX YEAR AND EACH TAX YEAR AFTER THE 2010 TAX
6 YEAR, THE MILITARY FAMILY RELIEF FUND CREATED IN SECTION 3 OF THE
7 MILITARY FAMILY RELIEF FUND ACT, 2004 PA 363, MCL 35.1213.

8 (D) ~~(e)~~—The animal welfare fund created in the animal welfare
9 fund act, 2007 PA 132, MCL 287.991 to 287.997.

10 (E) ~~(d)~~—For the 2009 tax year and each tax year after the 2009
11 tax year, the united way fund created in section 3 of the united
12 way fund act, 2008 PA 527, MCL 333.26533.

13 (F) ~~(e)~~—For the 2011 tax year and each tax year after the 2011
14 tax year, the girl scouts of Michigan fund created in section 3 of
15 the girl scouts of Michigan fund act, 2010 PA 347, MCL 206.923.

16 (G) ~~(f)~~—For the 2012 tax year and each tax year after the 2012
17 tax year, the special Olympics Michigan fund created in section 5
18 of the special Olympics Michigan fund act, 2012 PA 155, MCL
19 206.945.

20 (H) FOR THE 2013 TAX YEAR AND EACH TAX YEAR AFTER THE 2013 TAX
21 YEAR, THE MICHIGAN AMBER ALERT FUND CREATED IN SECTION 5 OF THE
22 MICHIGAN AMBER ALERT ACT, 2002 PA 712, MCL 28.755.

23 (2) Subject to the limitations provided under this subsection,
24 the department shall establish and utilize a separate contributions
25 schedule that incorporates each contribution designation authorized
26 under this section that remains in effect and available for each
27 tax year and shall revise the state individual income tax return

1 form to include a separate line for the total contribution
2 designations made under the separate contributions schedule. The
3 contribution designations authorized under sections 437, 438, and
4 440 shall be incorporated into the contributions schedule for the
5 2010 tax year and shall remain on the schedule until the
6 contribution designation expires by law or is otherwise no longer
7 available as determined by the department pursuant to subsection
8 (3). A contribution designation that is enacted after November 1,
9 2007 shall be incorporated as soon as practical on the
10 contributions schedule, and each new contribution designation shall
11 be listed on the schedule in alphabetical order. The separate
12 contributions schedule required under this section shall include
13 not more than 10 separate contribution designations in any single
14 tax year.

15 (3) The department shall cease to include a contribution
16 designation on the contributions schedule if that contribution
17 designation fails to raise \$50,000.00 in any tax year for 2
18 consecutive tax years.

19 (4) If an individual's refund is not sufficient to make a
20 contribution under this section, the individual may designate a
21 contribution amount and that contribution amount shall be added to
22 the individual's tax liability for the tax year.

23 (5) Notwithstanding any other allocations or disbursements
24 required by this act, each year that a contribution designation
25 under this section is in effect, an amount equal to the cumulative
26 designation made under this section, less the amount appropriated
27 to the department to implement this section, shall be appropriated

1 from the general fund and distributed to the department responsible
2 for administering the appropriate fund to which the taxpayer
3 designated his or her contribution and shall be used solely for the
4 purposes of that fund.

5 (6) Money appropriated pursuant to an appropriations act as
6 required by law in accordance with this section to the department
7 responsible for administering each respective fund shall be in
8 addition to any other allocation or appropriation and is intended
9 to enhance appropriations from the general fund and not to replace
10 or supplant those appropriations.

11 (7) Notwithstanding any other provision of law, all of the
12 following apply:

13 (a) Money appropriated from the contributions made pursuant to
14 this section shall be distributed as provided in each respective
15 fund within 1 year and none of the money appropriated pursuant to
16 this section shall be used for the purpose of administering the
17 fund.

18 (b) If the fund to which the taxpayer designated his or her
19 contributions is to be used for donations to multiple organizations
20 located in this state, the department responsible for administering
21 that fund shall designate 1 local representative or agency of that
22 organization to administer and distribute those funds to other
23 similar organizations in this state as provided in each respective
24 act that created the fund.

25 (8) When considering whether to grant legislative approval to
26 amend the state individual income tax return to include additional
27 contribution designations on the contributions schedule, the

1 legislature shall consider all of the following:

2 (a) Whether the organization serves multiple regions
3 throughout this state.

4 (b) Whether the organization has demonstrated that it is
5 capable of raising more than \$50,000.00 in this state during the
6 tax year through means other than the income tax contribution
7 designation.

8 (c) Whether the organization expends 30% or more of its money
9 to cover administrative and fund-raising costs.

10 (d) Whether the organization had previously been included on
11 the contributions schedule within the last immediately preceding 3
12 years and was removed because it failed to raise a sufficient
13 amount of money as prescribed under subsection (3).

14 (e) Whether the organization receives any other state funds or
15 other type of financial assistance from this state.

16 (f) Whether the organization is associated with a nonprofit
17 charitable organization.

18 Enacting section 1. This amendatory act does not take effect
19 unless Senate Bill No.341

20 of the 97th Legislature is enacted into law.