



**Senate Fiscal Agency**  
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BILL



ANALYSIS

**Telephone: (517) 373-5383**  
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Senate Bill 428 (as reported without amendment)  
Senate Bill 429 (Substitute S-1 as reported)  
Sponsor: Senator Rick Jones  
Committee: Finance

### **CONTENT**

Senate Bill 428 would create the "American Red Cross Michigan Fund Act" to do the following:

- Create the "American Red Cross Michigan Fund" within the Department of Treasury for the purpose of providing funds for donation to the Michigan chapters of the American Red Cross.
- Require money raised from a proposed tax return check-off to be credited to the Fund.
- Require that the money, interest, and earnings of the Fund be spent solely for donation to the Mid-Michigan Chapter of the American Red Cross for further distribution to other Michigan chapters.

Senate Bill 429 (S-1) would amend the Income Tax Act to include the proposed American Red Cross Michigan Fund among the funds eligible for voluntary contributions on the State income tax return, starting in the 2016 tax year.

The Income Tax Act allows an individual to designate on his or her annual State income tax return that a contribution of \$5, \$10, or more of his or her refund be credited to any of the funds listed in the Act (check-offs). If an individual's refund is not sufficient to make a contribution, he or she may designate a contribution amount to be added to his or her tax liability for the tax year.

The bill would add the American Red Cross Fund to the funds that are currently authorized for check-offs.

The bills are tie-barred.

MCL 206.435 (S.B. 429)

Legislative Analyst: Drew Krogulecki

### **FISCAL IMPACT**

The bills would have a minimal cost to the State and no fiscal impact on local units of government. There would be an initial cost to set up the proposed Fund and begin the investments; after that, the Department of Treasury estimates that the ongoing costs would drop to \$10,000 a year and the Department would be able to cover the costs with current appropriations.

Date Completed: 10-7-15

Fiscal Analyst: Cory Savino