HOUSE BILL NO. 4992

September 18, 2019, Introduced by Reps. Witwer and Berman 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 206.713) by adding section 260.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 260. (1) For tax years beginning on and after January 1,**

2 **2020, a taxpayer may claim a credit against the tax imposed by this**

3 **part for the tax year an amount, subject to the applicable**

4 **limitations under this section, equal to 50% of the aggregate**

5 **amount of charitable contributions made by the taxpayer during the**

1   tax year to a shelter for homeless persons, food kitchen, food

2   bank, or other entity located in this state, the primary purpose of

3   which is to provide overnight accommodation, food, or meals to

4   persons who are indigent if a contribution to that entity is tax

5   deductible for the donor under the internal revenue code.

6   (2) The maximum credit allowed under this section for total

7   contributions made, including the value of food items contributed

8   in conjunction with a program in which a vendor makes a matching

9   contribution of similar items in the tax year to shelters for

10 homeless persons, food kitchens, food banks, and other entities, is

11 as follows:

12 (a) For a taxpayer other than a resident estate or trust, the

13 credit shall not exceed $100.00, or $200.00 for a joint return.

14 (b) For a resident estate or trust, the credit shall not

15 exceed 10% of the taxpayer's tax liability for the tax year before

16 claiming any credits allowed by this part or $5,000.00, whichever

17 is less.

18 (3) For a resident estate or trust, the amount used to

19 calculate the credits under this section shall not have been

20 deducted in arriving at federal taxable income.

21 (4) If the amount of the credits allowed under this section

22 exceeds the tax liability of the taxpayer for the tax year, the

23 portion that exceeds the tax liability shall not be refunded.