

INCOME TAX ACT OF 1967 (EXCERPT)
Act 281 of 1967

CHAPTER 8

206.401 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed section pertained to determination of tax, crediting or refunding excess payment, and penalty for deficiency.

206.402 Administration of tax; conflicting provisions.

Sec. 402. The tax imposed by this part shall be administered by the department in accordance with 1941 PA 122, MCL 205.1 to 205.31, and this part. In case of conflict between the provisions of 1941 PA 122, MCL 205.1 to 205.31, and this part, the provisions of this part shall prevail.

History: Add. 1980, Act 169, Eff. Sept. 17, 1980;—Am. 2011, Act 38, Eff. Jan. 1, 2012.

206.405 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed section pertained to failure or refusal to file return, report, or statement.

206.408 Records.

Sec. 408. A person liable for any tax imposed under this part shall keep and maintain accurate records in a form as to make it possible to determine the tax due under this part.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 1969, Act 332, Imd. Eff. Nov. 4, 1969;—Am. 1980, Act 169, Eff. Sept. 17, 1980;—Am. 2011, Act 38, Eff. Jan. 1, 2012.

206.411 Repealed. 1996, Act 484, Eff. Jan. 1, 1996.

Compiler's note: The repealed section pertained to statute of limitations.

206.421-206.431 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed sections pertained to notice of intent to levy tax, hearing, appeal, notices, collection of tax, jeopardy assessment, actions at law, and liens.

206.435 Contribution designations; separate contributions schedule; cessation by department; insufficient refund to make contribution; appropriation; distribution and administration; additional contribution designations; considerations.

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

- (a) The children's trust fund created in 1982 PA 249, MCL 21.171 to 21.172.
- (b) The military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.
- (c) The animal welfare fund created in section 3 of the animal welfare fund act, 2007 PA 132, MCL 287.993.
- (d) The united way fund created in section 3 of the united way fund act, 2008 PA 527, MCL 333.26533.
- (e) For the 2016 tax year and each tax year after the 2016 tax year, the Michigan junior achievement fund created in section 5 of the Michigan junior achievement fund act, 2016 PA 181, MCL 206.1015.
- (f) For the 2016 tax year and each tax year after the 2016 tax year, the American Red Cross Michigan fund created in section 5 of the American Red Cross Michigan fund act, 2016 PA 183, MCL 206.1035.
- (g) For the 2018 tax year and each tax year after the 2018 tax year, the fostering futures scholarship trust fund created in section 3 of the fostering futures scholarship trust fund act, 2008 PA 525, MCL 722.1023.
- (h) For the 2018 tax year and each tax year after the 2018 tax year, the Lions of Michigan Foundation fund created in section 5 of the Lions of Michigan Foundation fund act.
- (i) For the 2018 tax year and each tax year after the 2018 tax year, the Michigan World War II Legacy Memorial fund created in section 5 of the Michigan World War II Legacy Memorial fund act.
- (j) For the 2018 tax year and each tax year after the 2018 tax year, the Kiwanis fund created in section 5 of the Kiwanis fund act.

(2) Subject to the limitations provided under this subsection, the department shall establish and utilize a separate contributions schedule that incorporates each contribution designation authorized under this section that remains in effect and available for each tax year and shall revise the state individual income tax return form to include a separate line for the total contribution designations made under the separate contributions schedule. The contribution designations authorized under sections 437, 438, and 440 shall be incorporated

into the contributions schedule for the 2010 tax year and shall remain on the schedule until the contribution designation expires by law or is otherwise no longer available as determined by the department pursuant to subsection (3). A contribution designation that is enacted after November 1, 2007 shall be incorporated as soon as practical on the contributions schedule, and each new contribution designation shall be listed on the schedule in alphabetical order. The separate contributions schedule required under this section shall include not more than 10 separate contribution designations in any single tax year.

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

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

(5) Notwithstanding any other allocations or disbursements required by this act, each year that a contribution designation under this section is in effect, an amount equal to the cumulative designation made under this section, less the amount appropriated to the department to implement this section, shall be appropriated from the general fund and distributed to the department responsible for administering the appropriate fund to which the taxpayer designated his or her contribution and shall be used solely for the purposes of that fund.

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

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

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

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

(8) When considering whether to grant legislative approval to amend the state individual income tax return to include additional contribution designations on the contributions schedule, the legislature shall consider all of the following:

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

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

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

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

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

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

History: Add. 2007, Act 133, Imd. Eff. Nov. 1, 2007;—Am. 2008, Act 143, Imd. Eff. May 28, 2008;—Am. 2008, Act 162, Imd. Eff. June 16, 2008;—Am. 2008, Act 322, Imd. Eff. Dec. 18, 2008;—Am. 2008, Act 526, Imd. Eff. Jan. 13, 2009;—Am. 2008, Act 558, Imd. Eff. Jan. 16, 2009;—Am. 2008, Act 560, Imd. Eff. Jan. 16, 2009;—Am. 2010, Act 346, Imd. Eff. Dec. 21, 2010;—Am. 2012, Act 151, Imd. Eff. May 30, 2012;—Am. 2012, Act 154, Imd. Eff. June 5, 2012;—Am. 2013, Act 90, Imd. Eff. June 28, 2013;—Am. 2013, Act 92, Imd. Eff. June 28, 2013;—Am. 2016, Act 182, Imd. Eff. June 16, 2016;—Am. 2016, Act 184, Imd. Eff. June 16, 2016;—Am. 2018, Act 252, Imd. Eff. June 28, 2018;—Am. 2018, Act 254, Imd. Eff. June 28, 2018;—Am. 2018, Act 256, Imd. Eff. June 28, 2018;—Am. 2018, Act 258, Imd. Eff. June 28, 2018.

206.437 Children of veterans tuition grant program; contribution designation.

Sec. 437. (1) For the 2006 tax year and each tax year after the 2006 tax year, an individual may designate on his or her annual return that a contribution of \$2.00 or more of his or her refund be credited to the Michigan higher education assistance authority created in section 1 of 1960 PA 77, MCL 390.951, for the children of veterans tuition grant program created in the children of veterans tuition grant act, 2005 PA 248, MCL 390.1341 to 390.1346. Notwithstanding any other provision in this section or section 475, for the 2010 tax year and each tax year after the 2010 tax year, the contribution designation authorized under this section

shall be offered and administered in accordance with section 435. If an individual's refund is not sufficient to make a contribution under this section, the individual may designate a contribution amount and that contribution amount shall be added to the individual's tax liability for the tax year.

(2) The tax designation authorized in this section shall be clearly and unambiguously printed on the first page of the state individual income tax return forms, if practical. Effective January 1, 2010, the contribution designation authorized in this section is no longer required to be printed on the first page of the state individual income tax return but shall be incorporated into the contributions schedule created by the department pursuant to section 435 and shall remain on the schedule until the contribution designation expires or is otherwise no longer available.

(3) Notwithstanding any other allocations or disbursements required by this act, each year that the contribution designation under this section is in effect, an amount equal to the cumulative contributions made under this section shall be appropriated from the general fund to the children of veterans tuition grant program of the Michigan higher education assistance authority, and the funds shall be distributed for programs allowed under the children of veterans tuition grant act, 2005 PA 248, MCL 390.1341 to 390.1346. No money from the contributions made pursuant to this section shall be used for the purpose of administering this section.

History: Add. 2005, Act 249, Imd. Eff. Dec. 1, 2005;—Am. 2007, Act 133, Imd. Eff. Nov. 1, 2007.

206.438 Designation of contribution to the military family relief fund.

Sec. 438. (1) For tax years that begin after December 31, 2003, a taxpayer may designate on his or her annual return that a contribution of \$1.00 or more of his or her refund be credited to the military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213. Notwithstanding any other provision in this section, for the tax years beginning on and after January 1, 2010, the contribution designation authorized under this section shall be offered and administered in accordance with section 435.

(2) If a taxpayer's refund is not sufficient to make a contribution under this section, the taxpayer may designate that the amount designated be added to the taxpayer's tax liability for the tax year.

(3) The contribution designation authorized in this section shall be clearly and unambiguously printed on the first page of all state individual income tax return forms, if practicable. Effective January 1, 2010, the contribution designation authorized in this section is no longer required to be printed on the first page of the state individual income tax return but shall be incorporated into the contributions schedule created by the department pursuant to section 435 and shall remain on the schedule until the contribution designation expires or is otherwise no longer available.

(4) Notwithstanding the other allocations and disbursements required by this act, and each year that the contribution designation is in effect, an amount equal to the cumulative designations made under this section, less the amount appropriated to the department of treasury for the purpose of implementing this section, shall be appropriated from the general fund and distributed each fiscal year to the department of military and veterans affairs to be used as follows:

(a) Twenty percent to the post fund and posthumous fund of the Michigan soldiers' home to be used as provided in 1905 PA 313, MCL 36.61.

(b) Eighty percent to the military family relief fund created in the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216.

(5) Money appropriated pursuant to this section to the department of military and veterans affairs shall be in addition to any allocations and appropriations and is intended to enhance appropriations from the general fund and not to replace or supplant those appropriations.

History: Add. 2004, Act 364, Imd. Eff. Oct. 6, 2004;—Am. 2008, Act 151, Imd. Eff. June 5, 2008.

206.439 Designating portion of tax refund credited to Michigan nongame fish and wildlife trust fund; printing contribution designation on income tax return form; disposition of amount equal to cumulative designations.

Sec. 439. (1) Until the state treasurer certifies that the assets in the nongame fish and wildlife trust fund created in the nongame fish and wildlife trust fund act exceed \$6,000,000.00, a taxpayer may designate on his or her annual return that a contribution of \$2.00 or more of his or her refund be credited to the state of Michigan nongame fish and wildlife trust fund created in part 439 (nongame fish and wildlife trust fund) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being sections 324.43901 to 324.43907 of the Michigan Compiled Laws. If a taxpayer's refund is not sufficient to make a contribution under this section, the taxpayer may designate a contribution amount and that contribution amount shall be added to the taxpayer's tax liability for the tax year.

(2) The contribution designation authorized in this section shall be clearly and unambiguously printed on the first page of all state individual income tax return forms, if practicable.

(3) Notwithstanding the other allocations and disbursements required by this act, an amount equal to the cumulative designations made under this section, less the amount appropriated to the department of treasury for the purpose of implementing this section, shall be deposited in the state of Michigan nongame fish and wildlife trust fund and shall be appropriated solely for the purposes of the fund.

History: Add. 1983, Act 189, Imd. Eff. Nov. 1, 1983;—Am. 1985, Act 145, Imd. Eff. Nov. 7, 1985;—Am. 1986, Act 286, Eff. Jan. 22, 1987;—Am. 1993, Act 162, Imd. Eff. Sept. 16, 1993;—Am. 1996, Act 55, Imd. Eff. Feb. 26, 1996;—Am. 1996, Act 484, Eff. Jan. 1, 1996.

Compiler's note: Subsection (1) of Section 3 of Act 484 provides:

“Section 3. (1) Sections 264, 274, 439, 440, 471, 475, 506, 512, 522, and 527a of Act No. 281 of the Public Acts of 1967, as amended by this amendatory act, are retroactive and effective January 1, 1996.”

206.440 Children's trust fund; contribution designation.

Sec. 440. (1) Effective for the tax year beginning January 1, 1982 and before January 1, 2005, an individual may designate on his or her annual return that a contribution of \$2.00 or more of his or her refund and for tax years beginning on and after January 1, 2005, an individual may designate on his or her annual return that a contribution of \$5.00 or more of his or her refund be credited to the children's trust fund created in 1982 PA 249, MCL 21.171 to 21.172. Notwithstanding any other provision in this section, for the tax years beginning on and after January 1, 2010, the contribution designation authorized under this section shall be offered and administered in accordance with section 435. If a taxpayer's refund is not sufficient to make a contribution under this section, the taxpayer may designate a contribution amount and that contribution amount shall be added to the taxpayer's tax liability for the tax year.

(2) The contribution designation authorized in this section shall be clearly and unambiguously printed on the first page of the state individual income tax return. Effective January 1, 2010, the contribution designation authorized under this section is no longer required to be printed on the first page of the state individual income tax return but shall be incorporated into the contributions schedule created by the department pursuant to section 435 and shall remain on the schedule until the contribution designation expires or is otherwise no longer available.

History: Add. 1982, Act 211, Eff. Sept. 29, 1982;—Am. 1985, Act 156, Imd. Eff. Nov. 15, 1985;—Am. 1996, Act 484, Eff. Jan. 1, 1996;—Am. 2005, Act 160, Imd. Eff. Oct. 3, 2005;—Am. 2007, Act 133, Imd. Eff. Nov. 1, 2007.

Compiler's note: Subsection (1) of Section 3 of Act 484 provides:

“Section 3. (1) Sections 264, 274, 439, 440, 471, 475, 506, 512, 522, and 527a of Act No. 281 of the Public Acts of 1967, as amended by this amendatory act, are retroactive and effective January 1, 1996.”

206.441 Repealed. 1990, Act 285, Eff. Dec. 21, 1990;—1990, Act 344, Imd. Eff. Dec. 21, 1990.

Compiler's note: The repealed section pertained to credit or refund of taxes or penalties.

206.442 Repealed. 1974, Act 308, Eff. Apr. 1, 1975.

Compiler's note: The repealed section pertained to failure or refusal to make refund.

206.451 Certificate of dissolution or withdrawal until taxes paid; payment of taxes as condition to closing of estate.

Sec. 451. (1) A domestic corporation, a foreign corporation, or other business entity authorized to transact business in this state that submits a certificate of dissolution or requests a certificate of withdrawal from this state shall request a certificate from the department stating that taxes are not due under section 27a of 1941 PA 122, MCL 205.27a, not more than 60 days after submitting the certificate of dissolution or requesting the certificate of withdrawal. A corporation or other business entity that does not request a certificate stating that taxes are not due is subject to the same penalties under section 24 of 1941 PA 122, MCL 205.24, that a taxpayer would be subject to for failure to file a return.

(2) An estate of a person subject to tax under this part shall not be closed without the payment of the tax levied by this part, both in respect to the liability of the estate and decedent prior to his or her death.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 1987, Act 254, Imd. Eff. Dec. 28, 1987;—Am. 2002, Act 581, Imd. Eff. Oct. 14, 2002;—Am. 2003, Act 46, Eff. Oct. 1, 2003;—Am. 2011, Act 38, Eff. Jan. 1, 2012.

206.455 Records, books, and accounts; examination; violation; penalties.

Sec. 455. Every person shall keep such records, books and accounts as may be necessary to determine the amount of tax for which it is liable under the provisions of this part and as the department may require for a period of 6 years. The records, books and accounts shall be open for examination at any time during regular business hours of the taxpayer by the department and its agents. Any person who violates any provision of this section is guilty of a misdemeanor and shall be fined not more than \$1,000.00 or imprisoned not more

than 1 year in the county jail, or both.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 2011, Act 38, Eff. Jan. 1, 2012.

206.461-206.466 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed sections pertained to offenses, penalties, enforcement, and confidentiality.

206.471 Administration of tax by department; forms; rules; space on tax return for school district and anatomical gift donor registry; information to be provided in instruction booklet; posting of list on website.

Sec. 471. (1) The department shall administer the tax imposed by this part. The department shall prescribe forms for use by taxpayers and may promulgate rules for all of the following:

- (a) The maintenance by taxpayers of records, books, and accounts.
- (b) The computation of the tax.
- (c) The manner and time of changing or electing accounting methods and of exercising the accounting method options contained in this part.
- (d) The making of returns, the payment of tax due, and the ascertainment, assessment, and collection of the tax.

(2) The rules shall follow the rulings of the United States Internal Revenue Service with respect to the federal income tax if those rulings are not inconsistent with this part, and the department may adopt as a part of the rules any portions of the internal revenue code or rulings, in whole or in part.

(3) Each state income tax return shall contain a space for the taxpayer to indicate the school district in which the taxpayer resides. Beginning with the 2023 tax year and each tax year after 2023, the state income tax return shall contain a space for the individual taxpayer to indicate if the individual taxpayer is willing to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123. The state income tax return shall also include the following statement under that space: "An individual taxpayer willing to participate in the anatomical gift donor registry must complete the donor registry schedule and submit it with the taxpayer's state income tax return."

(4) The department may provide information in the instruction booklet about the purchase of an annual state park motor vehicle permit pursuant to part 741 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.74101 to 324.74126.

(5) In the instruction booklet that accompanies the annual return required under this part, the department shall include all of the following:

- (a) A clear and concise listing of each credit and each deduction allowed under this part and a reference to a detailed explanation.
- (b) A summary of state expenditures and revenues by major category, in dollar amounts and percentage of total, for the most recent state fiscal year that the information is available.

(c) Beginning with the 2023 tax year, information describing the donor registry program maintained by Michigan's federally designated organ procurement organization or its successor organization under section 10120 of the public health code, 1978 PA 368, MCL 333.10120, explaining the taxpayer's right to make an anatomical gift in the event of death under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123, and providing the taxpayer with the opportunity to specify, in a form and manner as prescribed by the department under section 474, on the taxpayer's annual return required under this part that the individual taxpayer is willing to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123.

(6) The department shall post the list described in subsection (5)(a) on the department's official website.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 1977, Act 163, Eff. Mar. 30, 1978;—Am. 1991, Act 82, Imd. Eff. July 18, 1991;—Am. 1994, Act 119, Eff. Mar. 30, 1995;—Am. 1996, Act 55, Imd. Eff. Feb. 26, 1996;—Am. 1996, Act 484, Eff. Jan. 1, 1996;—Am. 2002, Act 486, Imd. Eff. June 27, 2002;—Am. 2011, Act 38, Eff. Jan. 1, 2012;—Am. 2023, Act 100, Imd. Eff. July 19, 2023.

Compiler's note: Subsection (1) of Section 3 of Act 484 provides:

"Section 3. (1) Sections 264, 274, 439, 440, 471, 475, 506, 512, 522, and 527a of Act No. 281 of the Public Acts of 1967, as amended by this amendatory act, are retroactive and effective January 1, 1996."

Administrative rules: R 206.1 et seq. of the Michigan Administrative Code.

206.472 Personal income and property tax credit forms and instructions; submission of drafts with explanations of changes.

Sec. 472. Before final printing the department shall submit the draft of the proposed personal income tax forms and instructions and the proposed property tax credit forms and instructions together with explanations of any and all changes from the prior forms and instructions to the house taxation and senate finance

committees.

History: Add. 1977, Act 1, Imd. Eff. Feb. 23, 1977.

206.473 Direct deposit of tax refund; form.

Sec. 473. The department shall develop and make available a direct deposit form prescribed by the department to provide for the direct deposit of a refund due to a taxpayer.

History: Add. 1996, Act 568, Eff. Mar. 31, 1997.

206.474 Donor registry schedule.

Sec. 474. (1) Beginning with 2023 tax year and each tax year after 2023, the department shall develop and utilize a donor registry schedule, that may be filed with a taxpayer's annual return, that provides an individual taxpayer with the opportunity to specify that the individual agrees to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123, and is willing to make an anatomical gift in the event of death under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123. The donor registry schedule required under this section must include, at a minimum, all of the following information:

(a) The individual taxpayer's name, date of birth, address, and 1 of the following:

(i) The last 4 digits of the individual taxpayer's Social Security number.

(ii) Driver license number.

(iii) State personal identification card number.

(b) Information describing the donor registry program maintained by Michigan's federally designated organ procurement organization or its successor organization under section 10120 of the public health code, 1978 PA 368, MCL 333.10120. The information required under this subdivision must include the address and telephone number of Michigan's federally designated organ procurement organization or its successor organization as described in section 10120 of the public health code, 1978 PA 368, MCL 333.10120.

(c) Information that if the individual taxpayer completes and files the donor registry schedule created under this section with the taxpayer's annual return, the department will forward the completed schedule to the secretary of state for that individual to be included as a donor on the donor registry maintained by the secretary of state or for that individual's information to be transferred directly to the organ procurement organization or its successor organization, or both, in accordance with section 10120 of the public health code, 1978 PA 368, MCL 333.10120.

(2) For taxpayers who file a joint return, each individual taxpayer that agrees to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123, shall separately affirm the individual's willingness to be placed on the donor registry maintained by the secretary of state or to have that individual's information transferred directly to the organ procurement organization or its successor organization by completing the donor registry schedule required under this section. The department shall forward each donor registry schedule filed with an annual return to the secretary of state. The department and secretary of state shall determine the manner and frequency that the donor registry schedule filed with an annual return must be forwarded from the department to the secretary of state. The confidentiality restrictions provided in section 28(1)(f) of 1941 PA 122, MCL 205.28, do not apply to the disclosure required by this subsection.

(3) Information about an individual taxpayer's indication of a willingness to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123, that is included in the donor registry schedule obtained by the department and forwarded to the secretary of state under this section is exempt from disclosure under section 13(1)(d) of the freedom of information act, 1976 PA 442, MCL 15.243. The department is not required to maintain a record of an individual taxpayer who does not indicate a willingness to participate in the anatomical gift donor registry under part 101 of the public health code, 1978 PA 368, MCL 333.10101 to 333.10123.

History: Add. 2023, Act 100, Imd. Eff. July 19, 2023.

206.475 Tax imposed additional to other taxes; disposition of proceeds; allocation and distribution; contribution designation program; appropriation; children's trust fund.

Sec. 475. (1) The tax imposed by this part is in addition to all other taxes for which the taxpayer is liable and the proceeds derived from the tax shall be credited to the general fund to be allocated and distributed as provided in this part.

(2) Each year that the contribution designation program established in section 440 is in effect, an amount equal to the cumulative designations made under section 440 less the annual amount appropriated to the department of treasury for the purpose of administering the children's trust fund and implementing section

440, shall be appropriated from the general fund to the children's trust fund in the department of treasury for use solely in support of the purposes provided in the act that created the children's trust fund.

History: 1967, Act 281, Eff. Oct. 1, 1967;—Am. 1982, Act 211, Eff. Sept. 29, 1982;—Am. 1991, Act 82, Imd. Eff. July 18, 1991;—Am. 1996, Act 484, Eff. Jan. 1, 1996;—Am. 2011, Act 38, Eff. Jan. 1, 2012.

Compiler's note: Section 475 of Act 250 of 1978, purporting to amend this section, was submitted to and disapproved by the people as part of Proposal E at the general election held on November 4, 1980.

Subsection (1) of Section 3 of Act 484 provides:

“Section 3. (1) Sections 264, 274, 439, 440, 471, 475, 506, 512, 522, and 527a of Act No. 281 of the Public Acts of 1967, as amended by this amendatory act, are retroactive and effective January 1, 1996.”

206.476 Rebate of taxes; credit; advanced refund payment; administration and procedures; definitions.

Sec. 476. (1) If the amendatory act that added this section takes effect before April 18, 2023, each eligible taxpayer is entitled to receive a rebate of taxes levied under this part for the 2022 tax year. Subject to subsection (3), the rebate authorized under this section is an advance refund payment and must be claimed as a credit against the tax imposed under this part for the 2023 tax year in an amount equal to the amount determined under subsection (2). If the credit allowed under this section exceeds the tax liability of the taxpayer for the 2023 tax year, that portion of the credit that exceeds the tax liability must be refunded.

(2) Except as otherwise provided under this subsection, the amount of the rebate to be issued and credit to be claimed under this section is \$180.00 for each eligible taxpayer. For an eligible taxpayer who was married but did not file a joint return for the 2022 tax year, the amount of the rebate to be issued and the credit claimed under this section for that eligible taxpayer is \$90.00. For an eligible taxpayer that filed a joint state income tax return for the 2022 tax year, the amount of the credit allowed under this section for the 2023 tax year for each individual filer listed on that joint state income tax return is \$90.00.

(3) The amount of the credit allowed under this section for the 2023 tax year must be reduced by the amount of the advance refund issued to the eligible taxpayer under subsection (4). The credit shall not be reduced below zero.

(4) In a manner as determined by the department, an eligible taxpayer is considered to have made a payment against the tax levied and imposed under this part for the 2022 tax year in an amount equal to the refundable credit allowed under this section for the 2023 tax year and an advance refund payment of that credit must be automatically issued by the department to each eligible taxpayer as soon as practical as provided in section 30 of 1941 PA 122, MCL 205.30. The rebate authorized and advance refund payment issued under this section may be disbursed electronically to an account at a financial institution of the eligible taxpayer's choice to which the eligible taxpayer authorized the direct deposit of a refund of taxes on the annual return filed under this part for the 2022 tax year. If the eligible taxpayer did not include authorization for a direct deposit, the department shall issue a negotiable check and send it by first-class mail to the address shown on the annual return filed under this part for the 2022 tax year. The advance refund payment authorized under this section must be issued and paid from the Michigan taxpayer rebate fund created under section 51h. The department shall not issue an advance refund payment under this section after December 31, 2023.

(5) Notwithstanding section 30a of 1941 PA 122, MCL 205.30a, the advance refund payment issued under this section is exempt from interception, execution, levy, attachment, garnishment, or other legal process to collect a debt. No portion of the advance refund payment allowed under this section or any rights existing under this section shall be applied as an offset to any liability of the eligible taxpayer under section 30a of 1941 PA 122, MCL 205.30a, or any arrearage or other debt of the eligible taxpayer.

(6) The department may establish any procedures and require the submission of any information from the eligible taxpayer as necessary for the administration of this rebate and advance refund payment of the credit authorized under this section.

(7) As used in this section:

(a) "Claimant" means that term as defined in section 504.

(b) "Eligible taxpayer" means an individual taxpayer who was a resident of this state as of December 31, 2022 and who filed an income tax return under this part for the 2022 tax year on or before October 18, 2023. Eligible taxpayer includes a spouse if that taxpayer filed a joint state income tax return for the 2022 tax year and at least 1 of the individual filers listed on that return is a resident of this state as of December 31, 2022. Eligible taxpayer includes a claimant who did not file a state income tax return for the 2022 tax year, but filed a claim for a credit under chapter 9 for the 2022 tax year on or before October 18, 2022. Eligible taxpayer does not include a nonresident individual or an individual with respect to whom a dependency exemption under section 30(2)(b) is allowable to another taxpayer for the 2022 tax year.

History: Add. 2023, Act 4, Eff. Feb. 13, 2024.

206.481 Repealed. 1996, Act 342, Eff. Oct. 1, 1996.

Compiler's note: The repealed section pertained to remittances by state disbursing authority to cities, villages, townships, and counties.

206.482 Repealed. 2011, Act 38, Eff. Jan. 1, 2012.

Compiler's note: The repealed section pertained to amounts distributed to local governments.

206.483 Repealed. 2002, Act 225, Imd. Eff. Apr. 29, 2002.

Compiler's note: The repealed section pertained to deposit in federal facility development fund.

206.491-206.495 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed sections pertained to computation of taxes and exclusion of business activities tax and income.

206.496 Repealed. 2011, Act 38, Eff. Jan. 1, 2012.

Compiler's note: The repealed section pertained to appropriation to department in 1982-1983 fiscal year.

206.497 Repealed. 1980, Act 169, Eff. Sept. 17, 1980.

Compiler's note: The repealed section pertained to business activities tax repeal.

206.498, 206.499 Repealed. 2011, Act 38, Eff. Jan. 1, 2012.

Compiler's note: The repealed sections pertained to declarations in act and effective date.