

SFA

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

Senate Bill 886

Sponsor: Senator Dick Posthumus

Committee: Finance

JUN 28 1990

Date Completed: 5-22-90

SUMMARY OF SENATE BILL 886 as introduced 3-21-90:

The bill would amend the Single Business Tax Act to allow a taxpayer to claim a credit against the tax for expenditures for tuition and instructional materials, for instruction of employees of the taxpayer in an apprenticeship program. The bill would define "apprenticeship program" as a program approved by and registered with the U.S. Department of Labor, Bureau of Apprenticeship and Training; or a State department, authority, or agency. The credit could not exceed \$900 per employee, and would be calculated in the following ways:

- A 50% credit for expenditures up to \$1,000.
- A \$500 credit for expenditure between \$1,001 and \$2,000, plus 25% of the amount in excess of \$1,000.
- A \$750 credit for expenditures over \$2,000, plus 15% of the amount in excess of \$2,000.

A credit claimed under the bill could not exceed \$2,000 for a tax year, and would be a nonrefundable credit.

Proposed MCL 208.37c

Legislative Analyst: G. Towne

FISCAL IMPACT

The fiscal impact of the bill is indeterminate. Data are not available on corporate contributions to apprenticeship programs.

Fiscal Analyst: N. Khouri

S8990\S886SA

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.