

HOUSE BILL NO. 5511

November 02, 2021, Introduced by Reps. Hammoud, Aiyash, Anthony, Tyrone Carter, Ellison, Cavanagh, Bolden, Manoogian, Cynthia Johnson and Hood and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 471 (MCL 206.471), as amended by 2011 PA 38, and by adding section 51h.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 51h. (1) In addition to the distribution under sections**
2 **51, 51d, 51e, 51f, and 51g, beginning October 1, 2022, from the**
3 **revenue collected from the tax levied under section 51 that is**
4 **attributable to taxpayers designated as refugees on his or her**
5 **annual return, an amount determined by the department necessary,**

1 based upon the applications received pursuant to subsection (3), to
2 reimburse local units of government for settlement costs associated
3 with refugees residing in their district shall be deposited into
4 the refugee settlement fund created in this section.

5 (2) The refugee settlement fund is created within the state
6 treasury. The state treasurer may receive money or other assets
7 from any source for deposit into the fund. The state treasurer
8 shall direct the investment of the fund. The state treasurer shall
9 credit to the fund interest and earnings from fund investments.
10 Money in the fund at the close of the fiscal year shall remain in
11 the fund and shall not lapse to the general fund. The department
12 shall be the administrator of the fund for auditing purposes.

13 (3) The department shall establish the procedures and forms
14 for local units of government to apply for reimbursement from the
15 refugee settlement fund for the settlement costs associated with 1
16 or more refugees who reside within their district.

17 (4) The department shall, upon appropriation, expend money
18 from the fund to make disbursements to local units of government
19 that apply for reimbursement of settlement costs attributable to
20 refugees who reside within their district. If the amount of revenue
21 in the fund is insufficient to fully reimburse each local unit of
22 government that applied pursuant to subsection (3), the department
23 shall distribute the funds pro rata among those local units of
24 government. The department may utilize up to 5% of the amount
25 deposited into the refugee settlement fund pursuant to subsection
26 (1) to pay for the administration of the refugee settlement fund.

27 Sec. 471. (1) The tax imposed by this part shall be
28 administered by the department. The department shall prescribe
29 forms for use by taxpayers and may promulgate rules for all of the

1 following:

2 (a) The maintenance by taxpayers of records, books, and
3 accounts.

4 (b) The computation of the tax.

5 (c) The manner and time of changing or electing accounting
6 methods and of exercising the accounting method options contained
7 in this part.

8 (d) The making of returns, the payment of tax due, and the
9 ascertainment, assessment, and collection of the tax.

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

15 (3) A summary of state expenditures and revenues by major
16 category, in dollar amounts and percentage of total, for the most
17 recent state fiscal year that the information is available, shall
18 be printed in the instruction booklet accompanying each state
19 income tax return.

20 (4) Each state income tax return shall contain a space for the
21 taxpayer to indicate the school district in which the taxpayer
22 resides. **For the 2021 tax year and each tax year after 2021, each**
23 **state income tax return shall contain a space for a taxpayer to**
24 **designate if he or she has been granted refugee status and admitted**
25 **into the United States and to indicate the local unit of government**
26 **in which the taxpayer resides.**

27 (5) The department may provide information in the instruction
28 booklet about the purchase of an annual state park motor vehicle
29 permit pursuant to part 741 of the natural resources and

1 environmental protection act, 1994 PA 451, MCL 324.74101 to
2 ~~324.74125.~~**324.74126.**

3 (6) In the instruction booklet that accompanies the annual
4 return required under this part, the department shall provide a
5 clear and concise listing of each credit and each deduction allowed
6 under this part and a reference to a detailed explanation.

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