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BILL ANALYSIS



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Senate Bill 1467 (as enacted)
Sponsor: Senator Michael Switalski
Senate Committee: Agriculture
House Committee: Agriculture

PUBLIC ACT 322 of 2008

Date Completed: 7-2-09

CONTENT

The bill amended the Income Tax Act to permit an individual, beginning with the 2009 tax year, to designate on his or her tax return that \$5, \$10, or more of his or her income tax refund, or additional tax liability, be credited to the Renewable Fuels Fund.

The Act also permits an individual to designate a portion of his or her income tax refund to go to the Prostate Cancer Research Fund, Amanda's Fund for Breast Cancer Prevention and Treatment, the Animal Welfare Fund, the Michigan Housing and Community Development Fund, the Children of Veterans Tuition Grant Program, and the Children's Trust Fund.

The bill was tie-barred to Senate Bill 1130, which amended the Motor Fuels Quality Act to create the Renewable Fuels Fund. The Fund is administered by the Michigan Department of Agriculture for purposes including the promotion of alternative fuel production and use, grants to improve the production of alternative fuels, and the promotion of vehicles powered by renewable fuels.

Senate Bill 1467 took effect on December 18, 2008.

MCL 206.435

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill will have an indeterminate fiscal impact on State government. Each time a check-off is added, the Department of Treasury incurs administrative costs for implementing the necessary changes to the forms, and for processing the various contributions, including the administration of any special funds created. In 2005, the Department received \$2.2 million in total contributions to the three check-offs then available. On average, the total amount of contributions in a given tax year has ranged from \$1.5 million to \$3.5 million, and the amount per check-off has varied from \$300,000 to \$2.1 million. It is difficult to predict the popularity of a new check-off and whether the addition of choices for check-off contributions will increase the total amount of contributions, or reduce the distribution to any given fund.

Fiscal Analyst: Joe Carrasco

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