

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4632**

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 435 (MCL 206.435), as amended by 2010 PA 346.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 435. (1) Except as otherwise provided under this section,
2 for the 2008 tax year and each tax year after the 2008 tax year, an
3 individual may designate in a manner and form as prescribed by the
4 department pursuant to subsection (2) on his or her annual return
5 that contributions of \$5.00, \$10.00, or more of his or her refund
6 be credited to any of the following:
7 (a) For the 2010 tax year and each tax year after the 2010 tax
8 year, the Michigan higher education assistance authority created in
9 section 1 of 1960 PA 77, MCL 390.951, for the children of veterans
10 tuition grant program created in the children of veterans tuition

1 grant act, 2005 PA 248, MCL 390.1341 to 390.1346. No money from the
2 contributions designated to this subdivision shall be used for the
3 purpose of administering this section.

4 (b) For the 2010 tax year and each tax year after the 2010 tax
5 year, the children's trust fund created in 1982 PA 249, MCL 21.171
6 to 21.172.

7 ~~—— (c) The prostate cancer research fund created in the prostate
8 cancer research fund act, 2007 PA 135, MCL 333.26241 to 333.26246.~~

9 ~~—— (d) Amanda's fund for breast cancer prevention and treatment
10 created in the Amanda's fund for breast cancer prevention and
11 treatment act, 2007 PA 134, MCL 333.26231 to 333.26237.~~

12 (C) ~~(e)~~ The animal welfare fund created in the animal welfare
13 fund act, 2007 PA 132, MCL 287.991 to 287.997.

14 ~~—— (f) The Michigan housing and community development fund
15 created in section 58a of the state housing development authority
16 act of 1966, 1966 PA 346, MCL 125.1458a.~~

17 ~~—— (g) The Michigan law enforcement officers memorial monument
18 fund created in section 3 of the Michigan law enforcement officers
19 memorial act, 2004 PA 177, MCL 28.783.~~

20 ~~—— (h) For the 2009 tax year and each tax year after the 2009 tax
21 year, the renewable fuels fund created in section 5a of the motor
22 fuels quality act, 1984 PA 44, MCL 290.645a.~~

23 ~~—— (i) The Michigan council for the arts fund created in section
24 9 of the history, arts, and libraries act, 2001 PA 63, MCL 399.709.~~

25 ~~—— (j) For the 2009 tax year and each tax year after the 2009 tax
26 year, the foster care trust fund created in section 3 of the foster
27 care trust fund act, 2008 PA 525, MCL 722.1023.~~

1 ~~—— (k) For the 2009 tax year and each tax year after the 2009 tax~~
2 ~~year, the children's miracle network fund created in section 5 of~~
3 ~~the children's miracle network fund act, 2008 PA 557, MCL~~
4 ~~333.26565.~~

5 ~~—— (l) For the 2009 tax year and each tax year after the 2009 tax~~
6 ~~year, the children's hospital of Michigan fund created in section~~
7 ~~15 of the children's hospital of Michigan act, 2008 PA 527, MCL~~
8 ~~333.26545.~~

9 (D) ~~(m)~~ For the 2009 tax year and each tax year after the 2009
10 tax year, the united way fund created in section 3 of the united
11 way fund act, 2008 PA 527, MCL 333.26533.

12 (E) ~~(n)~~ For the 2011 tax year and each tax year after the 2011
13 tax year, the girl scouts of Michigan fund created in section 3 of
14 the girl scouts of Michigan fund act, 2010 PA 347, MCL 206.923.

15 (F) FOR THE 2012 TAX YEAR AND EACH TAX YEAR AFTER THE 2012 TAX
16 YEAR, THE SPECIAL OLYMPICS MICHIGAN FUND CREATED IN SECTION 5 OF
17 THE SPECIAL OLYMPICS MICHIGAN FUND ACT.

18 (2) ~~The~~ SUBJECT TO THE LIMITATIONS PROVIDED UNDER THIS
19 SUBSECTION, THE department shall establish and utilize a separate
20 contributions schedule that incorporates each contribution
21 designation authorized under this section that remains in effect
22 and available for each tax year and shall revise the state
23 individual income tax return form to include a separate line for
24 the total contribution designations made under the separate
25 contributions schedule. The contribution designations authorized
26 under sections 437, 438, and 440 ~~shall remain on the first page of~~
27 ~~the state individual income tax return for the 2008 and 2009 tax~~

1 ~~years, but~~ shall be incorporated into the contributions schedule
2 for the 2010 tax year and shall remain on the schedule until the
3 contribution designation expires by law or is otherwise no longer
4 available as determined by the department pursuant to subsection
5 (3). A contribution designation that is enacted after November 1,
6 2007 shall be incorporated as soon as practical on the
7 contributions schedule, and each new contribution designation shall
8 be listed on the schedule in alphabetical order. **THE SEPARATE**
9 **CONTRIBUTIONS SCHEDULE REQUIRED UNDER THIS SECTION SHALL INCLUDE**
10 **NOT MORE THAN 10 SEPARATE CONTRIBUTION DESIGNATIONS IN ANY SINGLE**
11 **TAX YEAR.**

12 (3) The department ~~may~~ **SHALL** cease to include a contribution
13 designation on the contributions schedule if that contribution
14 designation fails to raise ~~\$100,000.00~~ **\$50,000.00** in any tax year
15 for 2 consecutive tax years.

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

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

1 purposes of that fund.

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

8 (7) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL OF THE
9 FOLLOWING APPLY:

10 (A) MONEY APPROPRIATED FROM THE CONTRIBUTIONS MADE PURSUANT TO
11 THIS SECTION SHALL BE DISTRIBUTED AS PROVIDED IN EACH RESPECTIVE
12 FUND WITHIN 1 YEAR AND NONE OF THE MONEY APPROPRIATED PURSUANT TO
13 THIS SECTION SHALL BE USED FOR THE PURPOSE OF ADMINISTERING THE
14 FUND.

15 (B) IF THE FUND TO WHICH THE TAXPAYER DESIGNATED HIS OR HER
16 CONTRIBUTIONS IS TO BE USED FOR DONATIONS TO MULTIPLE ORGANIZATIONS
17 LOCATED IN THIS STATE, THE DEPARTMENT RESPONSIBLE FOR ADMINISTERING
18 THAT FUND SHALL DESIGNATE 1 LOCAL REPRESENTATIVE OR AGENCY OF THAT
19 ORGANIZATION TO ADMINISTER AND DISTRIBUTE THOSE FUNDS TO OTHER
20 SIMILAR ORGANIZATIONS IN THIS STATE AS PROVIDED IN EACH RESPECTIVE
21 ACT THAT CREATED THE FUND.

22 (8) WHEN CONSIDERING WHETHER TO GRANT LEGISLATIVE APPROVAL TO
23 AMEND THE STATE INDIVIDUAL INCOME TAX RETURN TO INCLUDE ADDITIONAL
24 CONTRIBUTION DESIGNATIONS ON THE CONTRIBUTIONS SCHEDULE, THE
25 LEGISLATURE SHALL CONSIDER ALL OF THE FOLLOWING:

26 (A) WHETHER THE ORGANIZATION SERVES MULTIPLE REGIONS
27 THROUGHOUT THIS STATE.

1 (B) WHETHER THE ORGANIZATION HAS DEMONSTRATED THAT IT IS
2 CAPABLE OF RAISING MORE THAN \$50,000.00 IN THIS STATE DURING THE
3 TAX YEAR THROUGH MEANS OTHER THAN THE INCOME TAX CONTRIBUTION
4 DESIGNATION.

5 (C) WHETHER THE ORGANIZATION EXPENDS 30% OR MORE OF ITS MONEY
6 TO COVER ADMINISTRATIVE AND FUND-RAISING COSTS.

7 (D) WHETHER THE ORGANIZATION HAD PREVIOUSLY BEEN INCLUDED ON
8 THE CONTRIBUTIONS SCHEDULE WITHIN THE LAST IMMEDIATELY PRECEDING 3
9 YEARS AND WAS REMOVED BECAUSE IT FAILED TO RAISE A SUFFICIENT
10 AMOUNT OF MONEY AS PRESCRIBED UNDER SUBSECTION (3).

11 (E) WHETHER THE ORGANIZATION RECEIVES ANY OTHER STATE FUNDS OR
12 OTHER TYPE OF FINANCIAL ASSISTANCE FROM THIS STATE.

13 (F) WHETHER THE ORGANIZATION IS ASSOCIATED WITH A NONPROFIT
14 CHARITABLE ORGANIZATION.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. 381 of the 96th Legislature is enacted into
17 law.