



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4817 (Substitute S-2 as reported by the Committee of the Whole)
House Bill 4818 (Substitute S-1 as reported without amendment)
Sponsor: Representative Brandt Iden
House Committee: Tax Policy
Senate Committee: Finance

CONTENT

House Bill 4817 (S-1) would enact the "Michigan Junior Achievement Fund Act" to do the following:

- Create the "Michigan Junior Achievement Fund" in the Department of Treasury to provide funds for donation to any Junior Achievement organization in the State.
- Require money from a proposed tax check-off to be credited to the Fund.
- Require the Department to distribute the funds to the Junior Achievement of Michigan Great Lakes organization for distribution to other Junior Achievement organizations in the State.
- Allow money in the Fund to be used as matching funds for a Federal grant if the funds were to be used for certain purposes.

House Bill 4818 (S-1) would amend the Income Tax Act to include the Michigan Junior Achievement Fund among the funds eligible for voluntary contributions on the State income tax return, starting in the 2016 tax year.

The bills are tie-barred.

MCL 206.435 (H.B. 4818)

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bills would have no impact on State revenue and would result in minor administrative expenses. The money raised by the check-off boxes on the income tax form does not go toward general State revenue and instead is deposited into the various designated funds before being credited to the intended organizations. Each of these check-off boxes generally raises less than \$100,000 in any given year.

The administrative expenses under the bills would include managing the proposed Michigan Junior Achievement Fund, auditing, and making changes to the tax form. The Fund management expenses would be minimal and covered by current appropriations to manage the Michigan Amber Alert Fund (which is no longer on the schedule of check-offs). Changes to the income tax form occur every year; including the proposed check-off box would not result in additional costs outside of the current procedure for creating tax forms for any given year.

Date Completed: 6-1-16

Fiscal Analyst: Cory Savino

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Bill Analysis @ www.senate.michigan.gov/sfa

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