

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4818**

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 435 (MCL 206.435), as amended by 2013 PA 92.

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) For the 2010 tax year and each tax year after the 2010 tax
8 year, the military family relief fund created in section 3 of the
9 military family relief fund act, 2004 PA 363, MCL 35.1213.

10 (d) The animal welfare fund created in the animal welfare fund
11 act, 2007 PA 132, MCL 287.991 to 287.997.

12 (e) For the 2009 tax year and each tax year after the 2009 tax
13 year, the ~~united way~~ **UNITED WAY** fund created in section 3 of the
14 united way fund act, 2008 PA 527, MCL 333.26533.

15 ~~—— (f) For the 2011 tax year and each tax year after the 2011 tax~~
16 ~~year, the girl scouts of Michigan fund created in section 3 of the~~
17 ~~girl scouts of Michigan fund act, 2010 PA 347, MCL 206.923.~~

18 **(F)** ~~(g)~~ For the 2012 tax year and each tax year after the 2012
19 tax year, the ~~special~~ **SPECIAL** Olympics Michigan fund created in
20 section 5 of the special Olympics Michigan fund act, 2012 PA 155,
21 MCL 206.945.

22 **(G)** ~~(h)~~ For the 2013 tax year and each tax year after the 2013
23 tax year, the ALS of Michigan ("Lou Gehrig's disease") fund created
24 in section 3 of the ALS of Michigan ("Lou Gehrig's disease") fund
25 act, **2013 PA 89, MCL 206.933.**

26 ~~—— (i) For the 2013 tax year and each tax year after the 2013 tax~~
27 ~~year, the Michigan Amber alert fund created in section 5 of the~~

1 ~~Michigan Amber alert act, 2002 PA 712, MCL 28.755.~~

2 (H) ~~(j)~~ For the 2013 tax year and each tax year after the 2013
3 tax year, the Michigan Alzheimer's ~~association~~ **ASSOCIATION** fund
4 created in section 5 of the Michigan Alzheimer's association fund
5 act, 2013 PA 88, MCL 206.965.

6 (I) **FOR THE 2016 TAX YEAR AND EACH TAX YEAR AFTER THE 2016 TAX**
7 **YEAR, THE MICHIGAN JUNIOR ACHIEVEMENT FUND CREATED IN SECTION 5 OF**
8 **THE MICHIGAN JUNIOR ACHIEVEMENT FUND ACT.**

9 (2) Subject to the limitations provided under this subsection,
10 the department shall establish and utilize a separate contributions
11 schedule that incorporates each contribution designation authorized
12 under this section that remains in effect and available for each
13 tax year and shall revise the state individual income tax return
14 form to include a separate line for the total contribution
15 designations made under the separate contributions schedule. The
16 contribution designations authorized under sections 437, 438, and
17 440 shall be incorporated into the contributions schedule for the
18 2010 tax year and shall remain on the schedule until the
19 contribution designation expires by law or is otherwise no longer
20 available as determined by the department pursuant to subsection
21 (3). A contribution designation that is enacted after November 1,
22 2007 shall be incorporated as soon as practical on the
23 contributions schedule, and each new contribution designation shall
24 be listed on the schedule in alphabetical order. The separate
25 contributions schedule required under this section shall include
26 not more than 10 separate contribution designations in any single
27 tax year.

1 (3) The department shall cease to include a contribution
2 designation on the contributions schedule if that contribution
3 designation fails to raise \$50,000.00 in any tax year for 2
4 consecutive tax years.

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

9 (5) Notwithstanding any other allocations or disbursements
10 required by this act, each year that a contribution designation
11 under this section is in effect, an amount equal to the cumulative
12 designation made under this section, less the amount appropriated
13 to the department to implement this section, shall be appropriated
14 from the general fund and distributed to the department responsible
15 for administering the appropriate fund to which the taxpayer
16 designated his or her contribution and shall be used solely for the
17 purposes of that fund.

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

24 (7) Notwithstanding any other provision of law, all of the
25 following apply:

26 (a) Money appropriated from the contributions made pursuant to
27 this section shall be distributed as provided in each respective

1 fund within 1 year and none of the money appropriated pursuant to
2 this section shall be used for the purpose of administering the
3 fund.

4 (b) If the fund to which the taxpayer designated his or her
5 contributions is to be used for donations to multiple organizations
6 located in this state, the department responsible for administering
7 that fund shall designate 1 local representative or agency of that
8 organization to administer and distribute those funds to other
9 similar organizations in this state as provided in each respective
10 act that created the fund.

11 (8) When considering whether to grant legislative approval to
12 amend the state individual income tax return to include additional
13 contribution designations on the contributions schedule, the
14 legislature shall consider all of the following:

15 (a) Whether the organization serves multiple regions
16 throughout this state.

17 (b) Whether the organization has demonstrated that it is
18 capable of raising more than \$50,000.00 in this state during the
19 tax year through means other than the income tax contribution
20 designation.

21 (c) Whether the organization expends 30% or more of its money
22 to cover administrative and fund-raising costs.

23 (d) Whether the organization had previously been included on
24 the contributions schedule within the last immediately preceding 3
25 years and was removed because it failed to raise a sufficient
26 amount of money as prescribed under subsection (3).

27 (e) Whether the organization receives any other state funds or

1 other type of financial assistance from this state.

2 (f) Whether the organization is associated with a nonprofit
3 charitable organization.

4 Enacting section 1. This amendatory act does not take effect
5 unless House Bill No. 4817 of the 98th Legislature is enacted into
6 law.