

# HOUSE BILL NO. 4235

March 09, 2023, Introduced by Reps. Farhat, Rheingans, Neeley, Byrnes, Churches, Brixie, Brenda Carter, Hood, Hoskins, Grant, Scott, Edwards, Tsernoglou, Dievendorf, Morse, Wilson, Mentzer, Hope, Price, O'Neal, Brabec, Stone, Steckloff, Andrews, Young, Tyrone Carter, Conlin, Koleszar, Puri, Haadsma, Glanville, Miller, Aiyash and Whitsett and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.847) by adding section 277.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           **Sec. 277. (1) For tax years that begin on and after January 1,**  
2 **2023, a taxpayer may claim a credit against the tax imposed under**  
3 **this part in an amount equal to the qualified union dues paid to a**  
4 **labor organization by the taxpayer during the tax year. To claim**  
5 **the credit under this section, the taxpayer shall, in a form and**

1 manner as prescribed by the department, provide verification of the  
2 qualified union dues claimed to have been paid during the tax year  
3 for which a credit is claimed under this section. If the credit  
4 allowed under this section exceeds the tax liability of the  
5 taxpayer for the tax year, that portion of the credit that exceeds  
6 the tax liability shall be refunded.

7 (2) As used in this section:

8 (a) "Bargaining representative" means a labor organization  
9 recognized by an employer or certified by the commission as the  
10 sole and exclusive bargaining representative of certain employees  
11 of the employer.

12 (b) "Labor organization" means any organization of any kind,  
13 or any agency or employee representation committee or plan, in  
14 which employees participate and that exists for the purpose, in  
15 whole or in part, of dealing with employers concerning grievances,  
16 labor disputes, wages, rates of pay, hours of employment, or  
17 conditions of work.

18 (c) "Qualified union dues" means the total amount of  
19 reimbursed dues, fees, assessments, or other charges or expenses  
20 required of members of or public employees represented by a labor  
21 organization or bargaining representative.