

HOUSE BILL NO. 5063

September 26, 2025, Introduced by Reps. McFall, Breen, Tsernoglou, Herzberg, Rogers, Aragona, Conlin, Glanville, Mentzer, Young, Byrnes, Foreman and Liberati and referred to Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.847) by adding section 285.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 285. (1) Except as otherwise provided under subsection
2 (2) and subject to the limitations under this section, for tax
3 years that begin on and after January 1, 2026, a taxpayer who
4 voluntarily agrees to foster 1 or more animals in the taxpayer's
5 personal residence for a qualified organization may claim a credit
6 against the tax imposed under this part equal to \$50.00 for each

1 animal that the taxpayer fosters for at least 7 days during the tax
2 year. If a taxpayer fosters the same animal for more than 30 days,
3 the taxpayer may claim an additional \$50.00 credit for each
4 additional 30 days that the taxpayer fosters that animal. A
5 taxpayer must not claim a credit for fostering more than 5 animals
6 during a single tax year. To be eligible for the credit under this
7 section, the taxpayer must submit, in a form and manner as
8 prescribed by the department, verification from the qualified
9 organization of the agreement to foster 1 or more animals and the
10 duration of each foster agreement.

11 (2) Beginning with the 2027 tax year and each tax year after
12 2027, the amount of the credit allowed under this section per
13 animal for the immediately preceding tax year shall be adjusted by
14 the percentage increase in the United States Consumer Price Index
15 for the immediately preceding calendar year. The department shall
16 round the amount to the nearest \$5.00 increment.

17 (3) If the amount of the credit allowed under this section
18 exceeds the tax liability of the taxpayer for the tax year, that
19 excess must not be refunded.

20 (4) As used in this section:

21 (a) "Animal control shelter" and "animal protection shelter"
22 mean those terms as defined under section 1 of 1969 PA 287, MCL
23 287.331.

24 (b) "Qualified organization" means either of the following:

25 (i) A nonprofit animal rescue, pet shelter, or other similar
26 nonprofit agency or organization that is exempt from federal
27 taxation under section 501(c)(3) of the internal revenue code.

28 (ii) An animal control shelter or animal protection shelter
29 that is registered with the department of agriculture and rural

1 development in accordance with 1969 PA 287, MCL 287.331 to 287.340.

2 (c) "United States Consumer Price Index" means the United
3 States Consumer Price Index for all urban consumers as defined and
4 reported by the United States Department of Labor, Bureau of Labor
5 Statistics.