

**SENATE BILL NO. 1003**

March 10, 1998, Introduced by Senator YOUNG and referred to  
the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 266.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 266. (1) FOR THE 1997 TAX YEAR AND EACH TAX YEAR AFTER  
2 THE 1997 TAX YEAR, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX  
3 IMPOSED BY THIS ACT EQUAL TO THE NUMBER OF VOLUNTEER HOURS, NOT  
4 TO EXCEED 100 HOURS, CONTRIBUTED TO QUALIFIED ORGANIZATIONS  
5 DURING THE TAX YEAR MULTIPLIED BY THE MINIMUM WAGE AS DETERMINED  
6 UNDER SECTION 4 OF THE MINIMUM WAGE LAW OF 1964, 1964 PA 154, MCL  
7 408.384.  
8        (2) TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, THE TAX-  
9 PAYER SHALL ATTACH TO HIS OR HER ANNUAL RETURN UNDER THIS ACT A  
10 LIST THAT INCLUDES ALL OF THE FOLLOWING:

1 (A) THE NAME OF EACH QUALIFIED ORGANIZATION FOR WHICH THE  
2 TAXPAYER VOLUNTEERED.

3 (B) THE NUMBER OF HOURS VOLUNTEERED BY THE TAXPAYER FOR EACH  
4 QUALIFIED ORGANIZATION.

5 (C) THE TAXPAYER OR OTHER FEDERAL IDENTIFICATION NUMBER OF  
6 EACH QUALIFIED ORGANIZATION FOR WHICH THE TAXPAYER VOLUNTEERED.

7 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE  
8 TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR, THAT PORTION OF THE  
9 CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED TO THE  
10 TAXPAYER.

11 (4) AS USED IN THIS SECTION:

12 (A) "QUALIFIED ORGANIZATIONS" MEANS ALL OF THE FOLLOWING:

13 (i) AN ORGANIZATION EXEMPT FROM TAXATION UNDER SECTION  
14 501(c)(3) OF THE INTERNAL REVENUE CODE.

15 (ii) A PUBLIC OR PRIVATE K-12 SCHOOL OR SCHOOL DISTRICT IN  
16 THIS STATE.

17 (iii) A PUBLIC OR PRIVATE COLLEGE, UNIVERSITY, OR COMMUNITY  
18 COLLEGE IN THIS STATE.

19 (B) "HOURS VOLUNTEERED" MEANS HOURS WORKED BY THE TAXPAYER  
20 FOR WHICH THE TAXPAYER RECEIVES NO COMPENSATION IN CASH, SERV-  
21 ICES, OR OTHER REMUNERATION.