

# HOUSE BILL No. 4094

January 18, 2011, Introduced by Reps. Horn, Wayne Schmidt, MacMaster and LaFontaine 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 206.532) by adding section 278.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 278. (1) FOR THE 2011 TAX YEAR AND EACH TAX YEAR AFTER  
2        2011, AN ELIGIBLE TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX  
3        IMPOSED UNDER THIS ACT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT  
4        THE ELIGIBLE TAXPAYER SHOULD HAVE RECEIVED DURING THE IMMEDIATELY  
5        PRECEDING YEAR UNDER THE MICHIGAN PROMISE GRANT ACT, 2006 PA 479,  
6        MCL 390.1621 TO 390.1628, AND THE AMOUNT THE ELIGIBLE TAXPAYER  
7        ACTUALLY RECEIVED DURING THE IMMEDIATELY PRECEDING YEAR AFTER  
8        ADJUSTMENTS MADE TO THE GRANT AMOUNT PURSUANT TO SECTION 5(3) OR  
9        6(4) OF THE MICHIGAN PROMISE GRANT ACT, 2006 PA 479, MCL 390.1625  
10       AND 390.1626.

1           (2) IF THE CREDIT ALLOWED UNDER THIS SECTION AND ANY UNUSED  
2 CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS SECTION EXCEED THE  
3 TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION THAT  
4 EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR SHALL NOT BE REFUNDED  
5 BUT MAY BE CARRIED FORWARD TO OFFSET TAX LIABILITY IN SUBSEQUENT  
6 TAX YEARS UNTIL USED UP.

7           (3) AS USED IN THIS SECTION, "ELIGIBLE TAXPAYER" MEANS A  
8 TAXPAYER WHO IS A STUDENT WHO MEETS THE ELIGIBILITY REQUIREMENTS  
9 FOR AN AWARD OF A MICHIGAN PROMISE GRANT IN AN AMOUNT DETERMINED  
10 UNDER SECTION 5 OR 6 OF THE MICHIGAN PROMISE GRANT ACT, 2006 PA  
11 479, MCL 390.1625 OR 390.1626.