

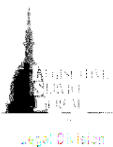
HOUSE BILL NO. 4993

September 18, 2019, Introduced by Reps. Berman and Witwer 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 206.713) by adding section 261.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 261. (1) For tax years beginning on and after January 1,
2 2020, a taxpayer may credit against the tax imposed by this part
3 for the tax year an amount, subject to the applicable limitations
4 under this section, equal to 50% of the amount the taxpayer
5 contributes during the tax year to a community foundation. For a



1 taxpayer other than a resident estate or trust, the credit allowed
2 under this section shall not exceed \$100.00, or \$200.00 for a joint
3 return. For a resident estate or trust, the credit allowed under
4 this section shall not exceed 10% of the taxpayer's tax liability
5 for the tax year before claiming any credits allowed by this part
6 or \$5,000.00, whichever is less. For a resident estate or trust,
7 the amount used to calculate the credits under this section shall
8 not have been deducted in arriving at federal taxable income.

9 (2) If the amount of the credits allowed under this section
10 exceeds the tax liability of the taxpayer for the tax year, the
11 portion that exceeds the tax liability shall not be refunded.

12 (3) On or before July 1 of each year, the department shall
13 report to the house committee on tax policy and the senate finance
14 committee the total amount of tax credits claimed under this
15 section for the immediately preceding tax year.

16 (4) As used in this section, "community foundation" means an
17 organization that applies for certification on or before May 15 of
18 the tax year for which the taxpayer is claiming the credit and that
19 the department certifies for that tax year as meeting the
20 requirements of a community foundation as provided in section 3 of
21 the Michigan community foundation act, 2017 PA 38, MCL 123.903.
22 However, for purposes of this section, the organization only needs
23 to have assets of at least \$1,000,000.00 to qualify for
24 certification by the department.

