

# HOUSE BILL No. 5910

March 2, 2010, Introduced by Reps. Bettie Scott, Huckleberry, Durhal, Cushingberry, Liss, Young, Geiss, Smith, Terry Brown, Polidori, Espinoza, Valentine, Leland, Gregory, Nathan, Miller, Slavens, Constan, Dean and Womack 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 TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2009  
2   AND BEFORE JANUARY 1, 2015 AND SUBJECT TO THE APPLICABLE  
3   LIMITATIONS IN THIS SECTION, A TAXPAYER MAY CLAIM A CREDIT AGAINST  
4   THE TAX IMPOSED BY THIS ACT EQUAL TO 50% OF THE AMOUNT THE TAXPAYER  
5   CONTRIBUTES DURING THE TAX YEAR TO A LOCAL SCHOOL DISTRICT TO  
6   SUPPORT AND PROVIDE ASSISTANCE FOR CORE ACADEMIC CURRICULUM  
7   ACTIVITIES WITHIN THAT DISTRICT. CONTRIBUTIONS TO A LOCAL SCHOOL  
8   DISTRICT FOR EXTRACURRICULAR ACTIVITIES ARE NOT ELIGIBLE FOR THE  
9   CREDIT UNDER THIS SECTION, AND CONTRIBUTIONS MADE PURSUANT TO THIS  
10   SECTION SHALL NOT BE EXPENDED BY THE RECIPIENT DISTRICT TO COVER

1 PERSONNEL COMPENSATION OR BENEFITS.

2 (2) FOR A TAXPAYER OTHER THAN A RESIDENT ESTATE OR TRUST, THE  
3 AMOUNT ALLOWABLE AS A CREDIT UNDER THIS SECTION FOR A TAX YEAR  
4 SHALL NOT EXCEED \$1,500.00, OR FOR A HUSBAND AND WIFE FILING A  
5 JOINT RETURN AS PROVIDED IN SECTION 311, \$3,000.00. FOR A RESIDENT  
6 ESTATE OR TRUST, THE AMOUNT ALLOWABLE AS A CREDIT UNDER THIS  
7 SECTION FOR A TAX YEAR SHALL NOT EXCEED 10% OF THE TAXPAYER'S TAX  
8 LIABILITY FOR THE TAX YEAR BEFORE CLAIMING ANY CREDITS ALLOWED BY  
9 THIS ACT OR \$5,000.00, WHICHEVER IS LESS.

10 (3) THE CREDIT ALLOWED UNDER THIS SECTION IS NONREFUNDABLE. IF  
11 THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX  
12 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE  
13 CREDIT THAT EXCEEDS THE TAX LIABILITY OF THE TAXPAYER SHALL NOT BE  
14 REFUNDED AND SHALL NOT REDUCE THE TAXPAYER'S TAX LIABILITY TO LESS  
15 THAN ZERO.

16 (4) BY FEBRUARY 28 OF EACH CALENDAR YEAR, EACH LOCAL SCHOOL  
17 DISTRICT THAT RECEIVED CONTRIBUTIONS PURSUANT TO THIS SECTION  
18 DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR SHALL REPORT TO THE  
19 DEPARTMENT, ON A FORM PRESCRIBED BY THE DEPARTMENT, THE FOLLOWING  
20 INFORMATION:

21 (A) THE TOTAL NUMBER OF CONTRIBUTIONS RECEIVED DURING THE  
22 IMMEDIATELY PRECEDING CALENDAR YEAR.

23 (B) THE TOTAL DOLLAR AMOUNT OF CONTRIBUTIONS RECEIVED DURING  
24 THE IMMEDIATELY PRECEDING CALENDAR YEAR.

25 (C) A DETAILED ACCOUNT OF THE AMOUNT OF CONTRIBUTIONS SPENT BY  
26 THE DISTRICT DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR.

27 (5) AS USED IN THIS SECTION:

1           (A) "CORE ACADEMIC CURRICULUM ACTIVITIES" MEANS ANY BOOKS,  
2 SUPPLIES, OR OTHER MATERIALS NECESSARY FOR OR RELATED TO THE  
3 RECOMMENDED ACADEMIC LEARNING OBJECTIVES IN MATH, SCIENCE, READING,  
4 HISTORY, GEOGRAPHY, ECONOMICS, AMERICAN GOVERNMENT, AND WRITING FOR  
5 ALL CHILDREN AT EACH STAGE OF SCHOOLING AND BASED UPON THE  
6 "MICHIGAN K-12 PROGRAM STANDARDS OF QUALITY" TO ENSURE THAT HIGH  
7 ACADEMIC STANDARDS, ACADEMIC SKILLS, AND ACADEMIC SUBJECT MATTERS  
8 ARE BUILT INTO THE INSTRUCTIONAL GOALS OF ALL SCHOOL DISTRICTS FOR  
9 ALL CHILDREN.

10           (B) "EXTRACURRICULAR ACTIVITIES" MEANS ANY OTHER ACTIVITIES  
11 OUTSIDE THE RECOMMENDED CORE ACADEMIC CURRICULUM, INCLUDING, BUT  
12 NOT LIMITED TO, THOSE ACTIVITIES THAT REQUIRE STUDENTS TO PAY A FEE  
13 IN ORDER TO PARTICIPATE.

14           (C) "LOCAL SCHOOL DISTRICT" MEANS THAT TERM AS DEFINED IN THE  
15 REVISED SCHOOL CODE, 1976 PA 451, MCL 380.1 TO 380.1852.