

# HOUSE BILL NO. 4933

August 23, 2023, Introduced by Reps. Skaggs and Snyder and referred to the Committee on Higher Education.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.847) by adding section 277.

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

1           Sec. 277. (1) For tax years beginning on and after January 1,  
2 2024 and subject to the limitations under this section, a qualified  
3 taxpayer who either graduated from a high school located in this  
4 state or received a bachelor's, master's, or other higher graduate  
5 degree from a postsecondary educational institution located in this  
6 state and remained in, or relocated to, this state for employment

1 with an employer located in this state after obtaining a  
2 bachelor's, master's, or other higher graduate degree from a  
3 postsecondary educational institution may claim a credit against  
4 the tax imposed by this part equal to 50% of the amount paid on a  
5 qualified student loan by the qualified taxpayer during the tax  
6 year.

7 (2) A qualified taxpayer shall not claim a credit under this  
8 section for any single tax year that is equal to more than 20% of  
9 the average yearly tuition to attend a public university located in  
10 this state. A qualified taxpayer is eligible to claim the credit  
11 allowed under this section only within the 10 tax years immediately  
12 following the qualified taxpayer's graduation from the  
13 postsecondary educational institution.

14 (3) To be eligible for the credit under this section, the  
15 qualified taxpayer shall provide the department with proof of  
16 residency, proof of the applicable degree, and proof of employment  
17 in this state. The department may also require reasonable proof  
18 from the qualified taxpayer in support of payments claimed to be  
19 paid for a qualified student loan under this section.

20 (4) If the credit allowed under this section exceeds the  
21 qualified taxpayer's tax liability for the tax year, that portion  
22 that exceeds the tax liability for the tax year shall be refunded.

23 (5) The credit allowed under this section may be referred to  
24 as the "make it in Michigan credit".

25 (6) As used in this section and section 277a:

26 (a) "Postsecondary educational institution" means a college,  
27 university, community college, or junior college that grants  
28 bachelor's, master's, or other higher graduate degrees.

29 (b) "Proof of residency" means a filed Michigan individual

1 income tax return that includes the taxpayer's certification that  
2 the taxpayer is a resident, a signed affidavit of Michigan  
3 residency, or other proof of residency acceptable to the  
4 department.

5 (c) "Qualified student loan" means any state or federal loans  
6 incurred to attend and receive a degree from a postsecondary  
7 educational institution, including, but not limited to, state loans  
8 authorized under the higher education loan authority act, 1975 PA  
9 222, MCL 390.1151 to 390.1165, and federal loans authorized under  
10 the higher education act of 1965, Public Law 89-329, 20 USC 1001 to  
11 1161aa-1.

12 (d) "Qualified taxpayer" means a taxpayer who is a resident of  
13 this state, who is employed by an employer located in this state,  
14 and who has received a bachelor's, master's, or other higher  
15 graduate degree from a postsecondary educational institution after  
16 the effective date of the amendatory act that added this section.

17 (e) "Resident" means an individual who is domiciled in this  
18 state for at least the 365 days immediately preceding the fifteenth  
19 day of the fourth month following the close of the tax year for  
20 which a credit is being claimed under this section.

21 Enacting section 1. This amendatory act does not take effect  
22 unless all of the following bills of the 102nd Legislature are  
23 enacted into law:

24 (a) Senate Bill No. \_\_\_\_ or House Bill No. 4934 (request no.  
25 03968'23).

26 (b) Senate Bill No. \_\_\_\_ or House Bill No. \_\_\_\_ (request no.  
27 03969'23).

28 (c) Senate Bill No. \_\_\_\_ or House Bill No. \_\_\_\_ (request no.  
29 04009'23).