# INCOME TAX ACT OF 1967 (EXCERPT)
# Act 281 of 1967

## 206.435 Contribution designations; separate contributions schedule; cessation by department; insufficient refund to make contribution; appropriation; distribution and administration; additional contribution designations; considerations.

Sec. 435.

(1) Except as otherwise provided under this section, an individual may designate in a manner and form as prescribed by the department pursuant to subsection (2) on his or her annual return that contributions of $5.00, $10.00, or more of his or her refund be credited to any of the following:

(a) The children's trust fund created in 1982 PA 249, MCL 21.171 to 21.172.

(b) The military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213.

(c) The animal welfare fund created in section 3 of the animal welfare fund act, 2007 PA 132, MCL 287.993.

(d) The united way fund created in section 3 of the united way fund act, 2008 PA 527, MCL 333.26533.

(e) For the 2016 tax year and each tax year after the 2016 tax year, the Michigan junior achievement fund created in section 5 of the Michigan junior achievement fund act, 2016 PA 181, MCL 206.1015.

(f) For the 2016 tax year and each tax year after the 2016 tax year, the American Red Cross Michigan fund created in section 5 of the American Red Cross Michigan fund act, 2016 PA 183, MCL 206.1035.

(g) For the 2018 tax year and each tax year after the 2018 tax year, the fostering futures scholarship trust fund created in section 3 of the fostering futures scholarship trust fund act, 2008 PA 525, MCL 722.1023.

(h) For the 2018 tax year and each tax year after the 2018 tax year, the Lions of Michigan Foundation fund created in section 5 of the Lions of Michigan Foundation fund act.

(i) For the 2018 tax year and each tax year after the 2018 tax year, the Michigan World War II Legacy Memorial fund created in section 5 of the Michigan World War II Legacy Memorial fund act.

(j) For the 2018 tax year and each tax year after the 2018 tax year, the Kiwanis fund created in section 5 of the Kiwanis fund act.

(2) Subject to the limitations provided under this subsection, the department shall establish and utilize a separate contributions schedule that incorporates each contribution designation authorized under this section that remains in effect and available for each tax year and shall revise the state individual income tax return form to include a separate line for the total contribution designations made under the separate contributions schedule. The contribution designations authorized under sections 437, 438, and 440 shall be incorporated into the contributions schedule for the 2010 tax year and shall remain on the schedule until the contribution designation expires by law or is otherwise no longer available as determined by the department pursuant to subsection (3). A contribution designation that is enacted after November 1, 2007 shall be incorporated as soon as practical on the contributions schedule, and each new contribution designation shall be listed on the schedule in alphabetical order. The separate contributions schedule required under this section shall include not more than 10 separate contribution designations in any single tax year.

(3) The department shall cease to include a contribution designation on the contributions schedule if that contribution designation fails to raise $50,000.00 in any tax year for 2 consecutive tax years.

(4) If an individual's refund is not sufficient to make a contribution under this section, the individual may designate a contribution amount and that contribution amount shall be added to the individual's tax liability for the tax year.

(5) Notwithstanding any other allocations or disbursements required by this act, each year that a contribution designation under this section is in effect, an amount equal to the cumulative designation made under this section, less the amount appropriated to the department to implement this section, shall be appropriated from the general fund and distributed to the department responsible for administering the appropriate fund to which the taxpayer designated his or her contribution and shall be used solely for the purposes of that fund.

(6) Money appropriated pursuant to an appropriations act as required by law in accordance with this section to the department responsible for administering each respective fund shall be in addition to any other allocation or appropriation and is intended to enhance appropriations from the general fund and not to replace or supplant those appropriations.

(7) Notwithstanding any other provision of law, all of the following apply:

(a) Money appropriated from the contributions made pursuant to this section shall be distributed as provided in each respective fund within 1 year and none of the money appropriated pursuant to this section shall be used for the purpose of administering the fund.

(b) If the fund to which the taxpayer designated his or her contributions is to be used for donations to multiple organizations located in this state, the department responsible for administering that fund shall designate 1 local

representative or agency of that organization to administer and distribute those funds to other similar organizations in this state as provided in each respective act that created the fund.

(8) When considering whether to grant legislative approval to amend the state individual income tax return to include additional contribution designations on the contributions schedule, the legislature shall consider all of the following:

(a) Whether the organization serves multiple regions throughout this state.

(b) Whether the organization has demonstrated that it is capable of raising more than $50,000.00 in this state during the tax year through means other than the income tax contribution designation.

(c) Whether the organization expends 30% or more of its money to cover administrative and fund-raising costs.

(d) Whether the organization had previously been included on the contributions schedule within the last immediately preceding 3 years and was removed because it failed to raise a sufficient amount of money as prescribed under subsection (3).

(e) Whether the organization receives any other state funds or other type of financial assistance from this state.

(f) Whether the organization is associated with a nonprofit charitable organization.

**History:** Add. 2007, Act 133, Imd. Eff. Nov. 1, 2007 ;-- Am. 2008, Act 143, Imd. Eff. May 28, 2008 ;-- Am. 2008, Act 162, Imd. Eff. June 16, 2008 ;-- Am. 2008, Act 322, Imd. Eff. Dec. 18, 2008 ;-- Am. 2008, Act 526, Imd. Eff. Jan. 13, 2009 ;-- Am. 2008, Act 558, Imd. Eff. Jan. 16, 2009 ;-- Am. 2008, Act 560, Imd. Eff. Jan. 16, 2009 ;-- Am. 2010, Act 346, Imd. Eff. Dec. 21, 2010 ;-- Am. 2012, Act 151, Imd. Eff. May 30, 2012 ;-- Am. 2012, Act 154, Imd. Eff. June 5, 2012 ;-- Am. 2013, Act 90, Imd. Eff. June 28, 2013 ;-- Am. 2013, Act 92, Imd. Eff. June 28, 2013 ;-- Am. 2016, Act 182, Imd. Eff. June 16, 2016 ;-- Am. 2016, Act 184, Imd. Eff. June 16, 2016 ;-- Am. 2018, Act 252, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 254, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 256, Imd. Eff. June 28, 2018 ;-- Am. 2018, Act 258, Imd. Eff. June 28, 2018