

Act No. 451
Public Acts of 2008
Approved by the Governor
January 9, 2009
Filed with the Secretary of State
January 9, 2009
EFFECTIVE DATE: January 9, 2009

**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2008**

Introduced by Senators Hunter, Schauer and Thomas

ENROLLED SENATE BILL No. 1020

AN ACT to amend 2007 PA 36, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations," (MCL 208.1101 to 208.1601) by adding section 426.

The People of the State of Michigan enact:

Sec. 426. (1) For the 2009 tax year and each tax year after 2009, a qualified financial institution or taxpayer may claim a credit against the tax imposed by this act equal to 75% of the contributions made by the qualified financial institution or by the taxpayer in the tax year to the reserve fund of a fiduciary organization pursuant to the individual or family development account program act, 2006 PA 513, MCL 206.701 to 206.711.

(2) If the credit allowed under this section for the tax year and any unused carryforward of the credit allowed under this section exceed the tax liability of the qualified financial institution or taxpayer for the tax year, the excess shall not be refunded, but may be carried forward as an offset to the tax liability in subsequent tax years for 10 tax years or until the excess credit is used up, whichever occurs first.

(3) The credits under this section and section 276 of the income tax act of 1967, 1967 PA 281, MCL 206.276, shall not exceed an annual cumulative maximum amount of \$1,000,000.00. The determination of the maximum allowed under this subsection shall be made as provided in the individual or family development account program act, 2006 PA 513, MCL 206.701 to 206.711.

(4) As used in this section:

(a) "Individual or family development account" means an account established pursuant to the individual or family development account program act, 2006 PA 513, MCL 206.701 to 206.711.

(b) "Fiduciary organization" and "reserve fund" mean those terms as defined in the individual or family development account program act, 2006 PA 513, MCL 206.701 to 206.711.

(c) "Qualified financial institution" means a financial institution as defined in the individual or family development account program act, 2006 PA 513, MCL 206.701 to 206.711.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved

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Governor