

# Legislative Analysis



## REGISTER AS ORGAN DONOR ON STATE INCOME TAX RETURN

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4362 as introduced**  
**Sponsor: Rep. Felicia Brabec**

Analysis available at  
<http://www.legislature.mi.gov>

**House Bill 4363 as introduced**  
**Sponsor: Rep. Cynthia Neeley**

**House Bill 4364 as introduced**  
**Sponsor: Rep. Natalie Price**

**Committee: Health Policy**  
**Complete to 4-20-23**

### SUMMARY:

House Bill 4362 would amend the Income Tax Act to enable an individual to designate a willingness to be an organ donor on their annual state income tax return and include a completed separate donor registry schedule with the return. House Bills 4363 and 4364 are companion bills that would amend separate acts to conform to the provisions of HB 4362.

**House Bill 4362** would, beginning with the 2023 tax year, require the state individual income tax return to contain a space for a taxpayer to indicate if they are willing to participate in the Anatomical Gift Donor Registry under Part 101 of the Public Health Code. The tax return would have to include the following statement under that space:

An individual taxpayer willing to participate in the anatomical gift donor registry must complete the donor registry schedule and submit it with the taxpayer's state income tax return.

In addition, beginning with the 2023 tax year, the instruction booklet that accompanies the annual return would have to include information describing the donor registry program maintained by the state's federally designated organ procurement organization or its successor organization. The information would have to explain the taxpayer's right under the Public Health Code to make an anatomical gift in the event of death and provide the taxpayer with the opportunity to specify on the taxpayer's annual return that the taxpayer is willing to participate and have their name placed on the donor registry.

Beginning with the 2023 tax year, the Department of Treasury would have to develop and use a separate donor registry schedule that can be filed with a taxpayer's annual return and that provides an individual taxpayer with the opportunity to specify that they agree to participate in the anatomical gift donor registry and are willing to make an anatomical gift in the event of death. At a minimum, the separate donor registry schedule would have to include all of the following information:

- The taxpayer's name, date of birth, and address.
- The taxpayer's Social Security, driver's license, or state ID card number.
- Information describing the donor registry program, including the address and phone number of the federally designated organ procurement organization.

- A statement that the department will forward the completed schedule to the secretary of state for the taxpayer's inclusion as a donor on the donor registry.

Taxpayers filing a joint return would each have to complete a separate donor registry schedule. The schedules would be forwarded by the department to the secretary of state, in a manner and frequency determined by the secretary of state. Confidentiality restrictions provided in section 28(1)(f) of 1941 PA 122, which pertains to the Revenue Division of the Department of Treasury, would not apply to this disclosure. Information about an individual taxpayer's indication of a willingness to have their name placed on the donor registry would be exempt from disclosure under the Freedom of Information Act (FOIA).

The Department of Treasury would not have to maintain a record of taxpayers who do not indicate a willingness to have their names placed on the donor registry.

MCL 206.471 and proposed MCL 206.474

**House Bill 4363** would amend the Public Health Code to allow a donor to make an anatomical gift by completing and filing a donor registry schedule with their state individual income tax return. As proposed by House Bill 4362, the Department of Treasury would have to transmit to the secretary of state, in the manner and frequency determined by the secretary of state, the donor registry schedule filed by each individual who indicates a willingness to have their name placed on the donor registry. The secretary of state would have to maintain a record of each donor registry schedule received from the Department of Treasury and add that individual to the donor registry.

MCL 333.10105 and 333.10120

**House Bill 4364** would amend 1941 PA 122, known as the revenue act. Generally speaking, a current or former employee or authorized representative of the Department of Treasury, or anyone connected with the department, is prohibited from divulging information obtained in the administration of a tax administered by the department except as provided in the revenue act. The bill would amend the act to allow a person authorized to disclose information from a donor registry schedule received under the Income Tax Act, as proposed by HB 4362, only to those organizations described in HB 4362 for administration of the donor registry program.

MCL 205.28

None of the bills can take effect unless all of the bills are enacted.

#### **FISCAL IMPACT:**

**House Bill 4362** would increase costs to the Department of Treasury by an unknown amount and would have no fiscal impact on local units of government. The amount of increased costs to the Department of Treasury is expected to be minimal and would depend upon the additional administrative costs and staff resources that may be required under the bill's provisions, such as the costs for the requirement to make changes to the state income tax return and instruction booklet, to create a new donor registry schedule for the income tax form, and to process and forward completed schedules to the secretary of state.

**House Bill 4363** would have no fiscal impact on the Department of Health and Human Services.

**House Bill 4364** would have no significant fiscal impact on the Department of Treasury and would have no fiscal impact on local units of government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.