

**SUBSTITUTE FOR  
SENATE BILL NO. 128**

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.847) by adding section 260.

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

1       Sec. 260. (1) For tax years beginning on and after January 1,  
2 2023 and subject to the applicable limitations in this section, a  
3 taxpayer may claim a credit against the tax imposed by this part in  
4 an amount equal to 50% of the sum of the cash amount and, if food  
5 items are contributed in conjunction with a program in which a  
6 vendor makes a matching contribution of similar items, the value of  
7 those food items, the taxpayer contributes during the tax year to a  
8 shelter for homeless persons, food kitchen, food bank, or other  
9 entity located in this state, the primary purpose of which is to

1 provide overnight accommodation, food, or meals to persons who are  
2 indigent if a contribution to that entity is tax deductible for the  
3 donor under the internal revenue code. For a taxpayer other than a  
4 resident estate or trust, the maximum credit allowed under this  
5 section shall not exceed \$100.00, or \$200.00 for a joint return.  
6 For a resident estate or trust, the maximum credit allowed under  
7 this section shall not exceed 10% of the taxpayer's tax liability  
8 for the tax year before claiming any credits allowed by this part  
9 or \$5,000.00, whichever is less. To claim a credit under this  
10 section, the taxpayer must have received a written acknowledgment  
11 from the shelter for homeless persons, food kitchen, food bank, or  
12 other entity that the contribution was made to that entity.

13 (2) For a resident estate or trust, the amount used to  
14 calculate the credit under this section shall not have been  
15 deducted in arriving at federal taxable income.

16 (3) If the amount of the credit allowed under this section  
17 exceeds the tax liability of the taxpayer for the tax year, the  
18 portion that exceeds the tax liability shall not be refunded.

19 (4) An entity may request that the department determine if a  
20 contribution to that entity qualifies for the credit under this  
21 section. The department shall make a determination and respond to a  
22 request no later than 30 days after the department receives the  
23 request.