

INDIVIDUAL OR FAMILY DEVELOPMENT ACCOUNT PROGRAM ACT (EXCERPT)
Act 513 of 2006

206.708 Tax credits; total; limitation; reserve fund; application for credits; certificate.

Sec. 8. (1) The total of all credits under section 276 of the income tax act of 1967, 1967 PA 281, MCL 206.276, and under the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, if applicable, shall not exceed \$1,000,000.00 per calendar year.

(2) A taxpayer that makes a contribution to a reserve fund as provided under section 7 shall apply to the agency for certification that the contribution qualifies for a credit under section 276 of the income tax act of 1967, 1967 PA 281, MCL 206.276, or the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, if applicable. An application shall be approved or denied not more than 45 days after receipt of the application. If the application is not approved or denied 45 days after the application is received by the agency, the application is considered approved and the agency shall issue a certificate under this subsection. If the agency approves an application under this section, the director or his or her designee shall issue a certificate that states that the taxpayer is eligible to claim a credit based on the contribution and the amount of the credit. If an application is denied under this section, a taxpayer is not prohibited from subsequently applying under this section for another contribution.

(3) In reviewing applications for credits, the agency shall consider all of the following criteria:

(a) The funds available to match contributions are deposited into a reserve fund in the same year that the credit will be claimed.

(b) The approval of the credit will not exceed the annual maximum amount under subsection (1).

(c) The overall benefit to the program of the contribution for which a credit is requested.

(4) The agency may delegate responsibility for subsections (2) and (3) to fiduciary organizations.

(5) A taxpayer shall not claim a credit in excess of the amount approved under subsection (2).

(6) A taxpayer shall attach the certificate received according to subsection (2) to the return filed under the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532, on which a credit allowed under section 276 of the income tax act of 1967, 1967 PA 281, MCL 206.276, is claimed.

History: 2006, Act 513, Eff. Jan. 1, 2007;—Am. 2008, Act 450, Imd. Eff. Jan. 9, 2009.