

SINGLE BUSINESS TAX ACT (EXCERPT)
Act 228 of 1975

***** 208.38 THIS SECTION IS REPEALED BY ACT 325 OF 2006 EFFECTIVE DECEMBER 31, 2007

208.38 Tax credit for charitable contributions to public broadcast station; limitations; conditions; annual report; financial statements; definitions.

Sec. 38. (1) At the election of taxpayers not subject to Act No. 281 of the Public Acts of 1967, as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, there shall be allowed as a credit against the tax imposed by this act for the taxable year, an amount, subject to the applicable limitations provided by this section, equal to 50% of the aggregate amount of charitable contributions made by the taxpayer during the year to a public broadcast station as defined by 47 U.S.C. 397 which is not affiliated with an institution of higher education, public libraries, institutions of higher learning located within this state, the Michigan colleges foundation, or to a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of institutions of higher learning. An institution of higher learning which receives the contributions through a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of the institution of higher learning, shall make an annual report to the chairpersons of the house and senate appropriations committees and the house taxation committee and senate finance committee indicating in what manner the contributions were or are being used and any specific conditions under which a particular contribution was received and how the money or property from that contribution was or is being used. The report shall be due not later than February 1 for the immediately preceding calendar year and shall be issued in 1981 and 1982 only. The tax credit shall be permitted only where the donee corporation, fund, foundation, trust, or association is controlled or approved and reviewed by the governing boards of the institutions benefiting from the charitable contributions. The nonprofit corporation, fund, foundation, trust, or association shall provide copies of their annual independently audited financial statements to the auditor general of the state and chairpersons of the senate and house appropriations committees.

(2) The amount allowable as a credit under this section for any taxable year shall not exceed 5% of the tax liability for that year as determined without regard to this section or \$5,000.00, whichever is less.

(3) As used in this section, "institution of higher learning" means an educational institution located within this state meeting all of the following requirements:

(a) It maintains a regular faculty and curriculum and has a regularly enrolled body of students in attendance at the place where its educational activities are carried on.

(b) It regularly offers education above the twelfth grade.

(c) It awards associate, bachelors, masters, or doctoral degrees or any combination of those degrees or higher education credits acceptable for those degrees granted by other institutions of higher learning.

(d) It is recognized by the state board of education as an institution of higher learning and appears as an institution of higher learning in the annual publication of the department of education entitled "the directory of institutions of higher education".

(4) As used in this section, "public library or libraries" means a public library as defined in section 2 of Act No. 89 of the Public Acts of 1977, being section 397.552 of the Michigan Compiled Laws.

(5) The credit allowed by this section shall not be in excess of the tax liability of the taxpayer.

History: 1975, Act 228, Eff. Jan. 1, 1976;—Am. 1980, Act 318, Imd. Eff. Dec. 9, 1980.

Compiler's note: Section 2 of Act 318 of 1980 provides: "This amendatory act shall take effect for tax years commencing January 1, 1980."

In subsection (3)(d) the word "entitled" evidently should read "entitled".