



# SENATE BILL No. 799

December 12, 1995, Introduced by Senator SHUGARS and referred to the Committee on Finance.

A bill to amend Act No. 281 of the Public Acts of 1967, entitled "Income tax act of 1967," as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, by adding section 266.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 281 of the Public Acts of 1967, as  
2 amended, being sections 206.1 to 206.532 of the Michigan Compiled  
3 Laws, is amended by adding section 266 to read as follows:

4 SEC. 266. (1) FOR THE 1996 TAX YEAR AND EACH TAX YEAR AFTER  
5 THE 1996 TAX YEAR, QUALIFIED TAXPAYERS WHO FILE A JOINT RETURN  
6 MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO  
7 \$250.00 IF THE QUALIFIED TAXPAYERS HAVE AT LEAST 1 CHILD UNDER 6  
8 YEARS OF AGE WHO IS A DEPENDENT OF AND WHO LIVES WITH THE  
9 QUALIFIED TAXPAYERS.

1 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX  
2 LIABILITY OF THE QUALIFIED TAXPAYERS FOR THE TAX YEAR, THAT POR-  
3 TION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE  
4 REFUNDED.

5 (3) AS USED IN THIS SECTION, "QUALIFIED TAXPAYERS" MEANS  
6 TAXPAYERS WHO MEET ALL OF THE FOLLOWING CRITERIA:

7 (A) FILE A JOINT RETURN UNDER THIS ACT.

8 (B) AT LEAST 1 OF THE TAXPAYERS EARNED LESS THAN \$2,000.00  
9 OF TAXABLE INCOME DURING THE TAX YEAR.

10 (C) THE TOTAL TAXABLE INCOME OF BOTH TAXPAYERS DOES NOT  
11 EXCEED \$50,000.00.