

# SENATE BILL No. 424

April 25, 2001, Introduced by Senators SCOTT, YOUNG, CHERRY, LELAND, MILLER, SMITH, DINGELL and BYRUM and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 269.

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

1 SEC. 269. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,  
2 2000, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY  
3 THIS ACT EQUAL TO THE AMOUNT PAID IN THE TAX YEAR AS PREMIUMS FOR  
4 HEALTH CARE INSURANCE FOR THE TAXPAYER AND THE TAXPAYER'S IMMEDI-  
5 ATE FAMILY MEMBERS TO THE EXTENT NOT REIMBURSED TO THE TAXPAYER  
6 FROM ANY OTHER SOURCE.

7 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX  
8 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT AMOUNT THAT  
9 EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED.

10 (3) AS USED IN THIS SECTION:

1 (A) "HEALTH CARE INSURANCE" MEANS ANY COST PAID BY THE  
2 TAXPAYER FOR HEALTH COVERAGE UNDER A POLICY, CONTRACT,  
3 CERTIFICATE, OR SELF-FUNDED PLAN.

4 (B) "IMMEDIATE FAMILY MEMBERS" MEANS THE SPOUSE, PARENTS,  
5 AND CHILDREN OF THE TAXPAYER CLAIMED BY THE TAXPAYER AS DEPEN-  
6 DENTS FOR FEDERAL INCOME TAX PURPOSES.

7 (C) "POLICY, CONTRACT, OR CERTIFICATE" MEANS A POLICY, CON-  
8 TRACT, OR CERTIFICATE ISSUED UNDER THE INSURANCE CODE OF 1956,  
9 1956 PA 218, MCL 500.100 TO 500.8302, OR A CERTIFICATE ISSUED BY  
10 A NONPROFIT HEALTH CARE CORPORATION OPERATING UNDER THE NONPROFIT  
11 HEALTH CARE CORPORATION REFORM ACT, 1980 PA 350, MCL 550.1101 TO  
12 550.1704.