

# SENATE BILL No. 175

February 12, 2003, Introduced by Senators BROWN, JELINEK, KUIPERS, BIRKHOLZ, PATTERSON, CROPSEY, OLSHOVE and GOSCHKA 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 270.

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

1       Sec. 270. (1) For tax years that begin after December 31,  
2 2002, a taxpayer may claim a credit against the tax imposed by  
3 this act equal to 25% of the eligible nursing home expenses of  
4 the taxpayer or a family member of the taxpayer paid by the  
5 taxpayer in the tax year.

6       (2) The credit under this section shall not exceed \$1,000.00  
7 for any 1 tax year.

8       (3) If the amount of the credit exceeds the tax liability of  
9 the taxpayer for the tax year, that portion of the credit that  
10 exceeds the tax liability shall be refunded.

11       (4) As used in this section:

1           (a) "Eligible nursing home expenses" means costs, not  
2 otherwise reimbursed, paid by the taxpayer to support the care  
3 and supervision of the taxpayer or a family member of the  
4 taxpayer while the taxpayer or a family member of the taxpayer is  
5 living in a nursing home if the care and supervision is  
6 considered necessary or recommended by the taxpayer's or  
7 taxpayer's family member's physician or a licensed health care  
8 professional employed by the nursing home who regularly provides  
9 health care services or supervision to the taxpayer or family  
10 member of the taxpayer.

11           (b) "Family member" means a spouse, child, stepchild, adopted  
12 child, parent, stepparent, adopted parent, grandparent, brother,  
13 or sister of the taxpayer or his or her spouse.

14           (c) "Nursing home" means that term as defined in section  
15 20109 of the public health code, 1978 PA 368, MCL 333.20109.