

SENATE BILL No. 51

January 25, 2005, Introduced by Senator SCOTT 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 272.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 272. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2004, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 ACT EQUAL TO THE AMOUNT PAID IN THE TAX YEAR AS PREMIUMS FOR HEALTH
4 CARE INSURANCE FOR THE TAXPAYER AND THE TAXPAYER'S IMMEDIATE FAMILY
5 MEMBERS TO THE EXTENT NOT PAID OR REIMBURSED TO THE TAXPAYER FROM
6 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.

1 (3) AS USED IN THIS SECTION:

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

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

8 (C) "POLICY, CONTRACT, OR CERTIFICATE" MEANS A POLICY,
9 CONTRACT, OR CERTIFICATE ISSUED UNDER THE INSURANCE CODE OF 1956,
10 1956 PA 218, MCL 500.100 TO 500.8302, OR A CERTIFICATE ISSUED BY A
11 NONPROFIT HEALTH CARE CORPORATION OPERATING UNDER THE NONPROFIT
12 HEALTH CARE CORPORATION REFORM ACT, 1980 PA 350, MCL 550.1101 TO
13 550.1704.