

HOUSE BILL No. 4770

June 10, 1987, Introduced by Rep. Bennett and referred to the Committee on Taxation.

A bill to amend section 510 of Act No. 281 of the Public Acts of 1967, entitled
"Income tax act of 1967,"
being section 206.510 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 510 of Act No. 281 of the Public Acts of
2 1967, being section 206.510 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 510. (1) "Income" means the sum of federal adjusted
5 gross income as defined in the internal revenue code plus all
6 income specifically excluded or exempt from the computations of
7 the federal adjusted gross income. The term does not include the
8 first \$300.00 of gifts in cash or kind from nongovernmental
9 sources or the first \$300.00 received from awards, prizes,
10 lottery, bingo, or other gambling winnings. Income does not

1 include surplus foods; ~~—~~ relief in kind supplied by a
2 governmental agency; ~~—~~ payments or credits under this act; ~~—~~
3 any governmental grant which has to be used by the claimant for
4 rehabilitation of the homestead; ~~—~~ amounts deducted from
5 monthly social security or railroad retirement benefits for medi-
6 care premiums; ~~—~~ ~~or~~ contributions by an employer to life, acci-
7 dent, or health insurance plans; OR OLD-AGE, SURVIVORS, AND DIS-
8 ABILITY INSURANCE PAYMENTS RECEIVED UNDER TITLE II OF THE SOCIAL
9 SECURITY ACT, 42 U.S.C. 401, 402-405, 406-410, 411-418, 420-423,
10 424a-426-1, 427-433. Income does not include energy assistance
11 grants ~~and~~ OR energy assistance tax credits. ~~Beginning with~~
12 ~~the 1977 tax year and thereafter~~ FOR TAX YEARS BEGINNING AFTER
13 DECEMBER 31, 1976, a person who is enrolled in an accident or
14 health insurance plan may deduct from income the amount the
15 person has paid in premiums in the tax year for that insurance
16 plan for the person's family.

17 (2) "Owner" means a natural person who owns or is purchasing
18 a homestead under a mortgage or land contract or who owns or is
19 purchasing a dwelling situated on the leased lands of another or
20 is a tenant-stockholder of a cooperative housing corporation.