



HOUSE BILL No. 4888

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June 24, 1993, Introduced by Reps. Bullard, Dobb and Nye and referred to the Committee on Taxation.

A bill to amend section 5 of Act No. 339 of the Public Acts of 1927, entitled

"An act to authorize the establishment of a system of retiring allowances for employees of public libraries now existing or which may hereafter be established in incorporated cities of 250,000 population or more,"

being section 38.705 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Section 5 of Act No. 339 of the Public Acts of 1927, being section 38.705 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 5. (1) ~~When~~ EXCEPT AS PROVIDED IN SUBSECTION (2), IF a system of retiring allowances is adopted under ~~the provisions of~~ this act, the reserve fund ~~thereby~~ provided shall be free from all state, county, township, city, village, and school

1 district taxes, and the annuities payable to the members of the
2 staff shall ~~likewise~~ be free from all such taxes.

3 (2) FOR A PERSON WHO BECOMES A MEMBER OF A RETIREMENT SYSTEM
4 ESTABLISHED PURSUANT TO THIS ACT AFTER DECEMBER 31, 1993, AN
5 ANNUITY PAYABLE TO THAT PERSON IS SUBJECT TO TAXATION UNDER THE
6 INCOME TAX ACT OF 1967, ACT NO. 281 OF THE PUBLIC ACTS OF 1967,
7 BEING SECTIONS 206.1 TO 206.532 OF THE MICHIGAN COMPILED LAWS.

8 Section 2. This amendatory act shall not take effect unless
9 all of the following bills of the 87th Legislature are enacted
10 into law:

11 (a) Senate Bill No. _____ or House Bill No. 4885
12 (request no. 03715'93).

13 (b) Senate Bill No. _____ or House Bill No. 4886
14 (request no. 03716'93).

15 (c) Senate Bill No. _____ or House Bill No. 4887
16 (request no. 03717'93).

17 (d) Senate Bill No. _____ or House Bill No. 4889
18 (request no. 03719'93).