



SENATE BILL No. 1280

September 21, 1994, Introduced by Senators GOUGEON, PRIDNIA
and CISKY and referred to the Committee on Finance

A bill to amend Act No 281 of the Public Acts of 1967,
entitled

"Income tax act of 1967,"

as amended, being sections 206 1 to 206 532 of the Michigan
Compiled Laws, by adding section 266

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Act No 281 of the Public Acts of 1967, as
2 amended, being sections 206 1 to 206 532 of the Michigan Compiled
3 Laws, is amended by adding section 266 to read as follows
4 SEC 266 (1) FOR THE 1995 TAX YEAR AND EACH TAX YEAR AFTER
5 1995, IF A TAXPAYER CLAIMS A CREDIT FOR HOUSEHOLD AND DEPENDENT
6 CARE SERVICES UNDER SECTION 21 OF THE INTERNAL REVENUE CODE ON
7 HIS OR HER FEDERAL TAX RETURN, THE TAXPAYER MAY CLAIM A CREDIT ON
8 HIS OR HER RETURN AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO

1 25% OF THE CREDIT CLAIMED ON HIS OR HER FEDERAL TAX RETURN FOR
2 THAT TAX YEAR

3 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
4 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE
5 CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE REFUNDED