



SENATE BILL No. 1139

September 12, 1996, Introduced by Senators NORTH, YOUNG, SCHWARZ, KOIVISTO, SHUGARS, MC MANUS and STALLINGS and referred to the Committee on Health Policy and Senior Citizens.

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) EXCEPT AS PROVIDED IN SUBSECTIONS (2) AND
5 (3), FOR THE 1997 TAX YEAR AND EACH TAX YEAR AFTER 1997, A QUALI-
6 FIED TAXPAYER MAY CREDIT \$5,000.00 AGAINST THE TAX IMPOSED BY
7 THIS ACT FOR A MAXIMUM OF 5 CONSECUTIVE TAX YEARS.

8 (2) A QUALIFIED TAXPAYER WHO IS PARTICIPATING IN THE
9 MICHIGAN ESSENTIAL HEALTH PROVIDER PROGRAM MAY CLAIM THE CREDIT

1 ALLOWED UNDER THIS SECTION ONLY IN THE 5 TAX YEARS BEGINNING IN
2 THE YEAR AFTER WHICH THE TAXPAYER HAS COMPLETED THE 2-YEAR OBLI-
3 GATION UNDER THAT PROGRAM.

4 (3) IF A QUALIFIED TAXPAYER INTERRUPTS A PRIMARY CARE MEDI-
5 CAL PRACTICE ESTABLISHED WITHIN A PRIMARY CARE HEALTH PROFES-
6 SIONAL SHORTAGE AREA TO PARTICIPATE IN A CONTINUING EDUCATION
7 PROGRAM OR A MEDICALLY RELATED SABBATICAL THAT LASTS MORE THAN 1
8 YEAR, THE QUALIFIED TAXPAYER MAY CLAIM THE CREDIT ALLOWED UNDER
9 THIS SECTION FOR ANY 5 TAX YEARS WITHIN THE 8 CONSECUTIVE TAX
10 YEARS THAT INCLUDE THE PROGRAM OR SABBATICAL AND THAT BEGIN WITH
11 THE FIRST YEAR THAT THE TAXPAYER CLAIMED A CREDIT ALLOWED UNDER
12 THIS SECTION.

13 (4) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
14 LIABILITY OF THE QUALIFIED TAXPAYER FOR THE TAX YEAR, THAT POR-
15 TION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE
16 REFUNDED TO THE QUALIFIED TAXPAYER.

17 (5) THE DEPARTMENT OF COMMUNITY HEALTH SHALL CERTIFY TO THE
18 DEPARTMENT OF TREASURY THAT A TAXPAYER WHO CLAIMS A CREDIT UNDER
19 THIS SECTION HAS ESTABLISHED OR MOVED A FULL-TIME PRIMARY CARE
20 MEDICAL PRACTICE INTO A PRIMARY CARE HEALTH PROFESSIONAL SHORTAGE
21 AREA.

22 (6) IF THE DEPARTMENT OF COMMUNITY HEALTH CHANGES THE DESIG-
23 NATION OF A PRIMARY CARE HEALTH PROFESSIONAL SHORTAGE AREA, THE
24 QUALIFIED TAXPAYER MAY CONTINUE TO CLAIM THE CREDIT AS ALLOWED IN
25 SUBSECTIONS (1) AND (3).

26 (7) AS USED IN THIS SECTION:

1 (A) "PRIMARY CARE HEALTH PROFESSIONAL SHORTAGE AREA" MEANS A
2 FULL COUNTY DESIGNATION AREA AS DETERMINED BY THE MICHIGAN
3 DEPARTMENT OF COMMUNITY HEALTH AS OF THE EFFECTIVE DATE OF THIS
4 SECTION OR UNDER A SUBSEQUENT DETERMINATION.

5 (B) "PHYSICIAN" MEANS THAT TERM AS DEFINED IN SECTION
6 17001(1)(C) OR 17501(1)(B) OF THE PUBLIC HEALTH CODE, ACT NO. 368
7 OF THE PUBLIC ACTS OF 1978, BEING SECTIONS 333.17001 AND
8 333.17501 OF THE MICHIGAN COMPILED LAWS.

9 (C) "QUALIFIED TAXPAYER" MEANS A PHYSICIAN WHO HAS ESTAB-
10 LISHED A FULL-TIME PRIMARY CARE MEDICAL PRACTICE IN A HEALTH CARE
11 PROFESSIONAL SHORTAGE AREA OR HAS MOVED A FULL-TIME PRIMARY CARE
12 MEDICAL PRACTICE INTO A HEALTH CARE PROFESSIONAL SHORTAGE AREA.