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INCOME TAX DEDUCTION FOR HOLOCAUSTSURVIVORPAYMENTS

House Bill 4796
Sponsor: Rep. Marc Shulman
Committee: Tax Policy

Complete to 9-30-99

A SUMMARY OF HOUSE BILL 4796 AS INTRODUCED 6-17-96

The bill would amend the Income Tax Act to provide a deduction for amounts received by a taxpayer who is a Holocaust victim as a result of a settlement of claims for recovered assets. The bill would apply to tax years beginning on and after January 1, 1994.

The bill specifies that it would apply to amounts received and interest on those amounts as a result of the settlement claims for any recovered asset under the German act regulating unresolved property claims (cited as Gesetz Zur Regelung Offener Vermögensfragen), as a result of the settlement of the action entitled In re: Holocaust Victims Assets, or as a result of any similar action. The bill would allow a deduction from income that had been included in adjusted gross income.

The term "Holocaust victim" would mean a person, or the heir or beneficiary of that person, who was persecuted by Nazi Germany or any Axis regime during any period from 1933 to 1945. The term "recovered asset" would mean any asset of any type and any interest earned on that asset, including bank deposits, insurance proceeds, or artwork owned by a Holocaust victim during the period from 1920 to 1945, withheld from that victim from and after 1945, and not recovered, returned, or otherwise compensated to the Holocaust victim until after 1994.

MCL 206.30

Analyst: C. Couch

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