

HB 5654, As Passed Senate, May 31, 2000

April 18, 2000, Introduced by Reps. Shackleton, Mead, Birkholz, Allen, Van Woerkom and Gilbert and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 30f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 SEC. 30F. FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
2 TAXABLE INCOME FOR PURPOSES OF THIS ACT EQUALS TAXABLE INCOME AS
3 DETERMINED UNDER SECTION 30 WITH THE FOLLOWING ADJUSTMENTS:
- 4 (A) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
5 DEDUCT, TO THE EXTENT NOT DEDUCTED IN DETERMINING ADJUSTED GROSS
6 INCOME, INTEREST EARNED IN THE TAX YEAR ON THE CONTRIBUTIONS TO
7 THE TAXPAYER'S EDUCATION SAVINGS ACCOUNTS IF THE CONTRIBUTIONS
8 WERE DEDUCTIBLE UNDER SECTION 30(1)(W)(i).
- 9 (B) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
10 DEDUCT, TO THE EXTENT INCLUDED IN ADJUSTED GROSS INCOME,
11 DISTRIBUTIONS THAT ARE QUALIFIED WITHDRAWALS FROM AN EDUCATION

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1 SAVINGS ACCOUNT TO THE DESIGNATED BENEFICIARY OF THAT EDUCATION
2 SAVINGS ACCOUNT. AS USED IN THIS SUBDIVISION, "QUALIFIED
3 WITHDRAWAL" MEANS THAT TERM AS DEFINED IN THE MICHIGAN EDUCATION
4 SAVINGS PROGRAM ACT.

5 Enacting section 1. This amendatory act does not take
6 effect unless Senate Bill No. 599 of the 90th Legislature is
7 enacted into law.