

# HOUSE BILL No. 5887

April 11, 2002, Introduced by Rep. Mortimer 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 269.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 269. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,  
2        2002, A TAXPAYER WHO IS A PHYSICIAN MAY CLAIM A CREDIT AGAINST  
3        THE TAX IMPOSED BY THIS ACT EQUAL TO THE DIFFERENCE BETWEEN THE  
4        AMOUNT RECEIVED FROM THE MEDICAID PROGRAM FOR MEDICAL SERVICES  
5        PROVIDED TO PERSONS WHOSE MEDICAL SERVICES ARE PAID FOR IN WHOLE  
6        OR IN PART BY THE MEDICAID PROGRAM AND THE AMOUNT THE PHYSICIAN  
7        WOULD CHARGE A PRIVATE PAYING PATIENT FOR THE SAME MEDICAL  
8        SERVICES.

9        (2) A TAXPAYER WHO CLAIMS A CREDIT UNDER THIS SECTION SHALL  
10        SUBMIT CERTIFICATION FROM THE DEPARTMENT OF COMMUNITY HEALTH THAT  
11        STATES THAT THE TAXPAYER PRACTICED AS A PHYSICIAN IN THIS STATE

1 DURING THE TAX YEAR WITH HIS OR HER ANNUAL RETURN ON WHICH A  
2 CREDIT UNDER THIS SECTION IS CLAIMED.

3 (3) A TAXPAYER WHO CLAIMS A CREDIT UNDER THIS SECTION SHALL  
4 MAINTAIN DOCUMENTATION OF ALL MEDICAL SERVICES PROVIDED TO  
5 PATIENTS IN THIS STATE USED TO CALCULATE THE CREDIT UNDER THIS  
6 SECTION AND SUBMIT THAT DOCUMENTATION TO THE DEPARTMENT UPON  
7 REQUEST BY THE DEPARTMENT.

8 (4) THE CREDIT ALLOWED UNDER THIS SECTION SHALL ONLY BE  
9 CLAIMED BY THE INDIVIDUAL PHYSICIAN WHO PROVIDES THE MEDICAL  
10 SERVICES AND SHALL NOT BE CLAIMED BY ANY CORPORATE ENTITY OR  
11 OTHER INDIVIDUAL.

12 (5) AS USED IN THIS SECTION:

13 (A) "MEDICAID PROGRAM" MEANS A PROGRAM FOR MEDICAL ASSIST-  
14 ANCE ESTABLISHED UNDER TITLE XIX OF THE SOCIAL SECURITY ACT,  
15 CHAPTER 531, 49 STAT. 620, 42 U.S.C. 1396 TO 1396f, 1396g-1 TO  
16 1396r-6, AND 1396r-8 TO 1396v.

17 (B) "PHYSICIAN" MEANS THAT TERM AS DEFINED IN SECTION  
18 17001(1)(C) OR 17501(1)(B) OF THE PUBLIC HEALTH CODE, 1978 PA  
19 368, MCL 333.17001 AND 333.17501.