

# SENATE BILL No. 1425

September 18, 2002, Introduced by Senators HAMMERSTROM, BULLARD, HOFFMAN, SHUGARS, GOSCHKA, BYRUM and GARCIA and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 270.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 270. (1) FOR TAX YEARS BEGINNING AFTER DECEMBER 31,  
2 2002, A TAXPAYER MAY CREDIT AGAINST THE TAX IMPOSED BY THIS ACT  
3 100% OF THE PREMIUMS PAID BY THE TAXPAYER IN THE TAX YEAR FOR  
4 LONG-TERM CARE INSURANCE NOT TO EXCEED \$1,000.00 EACH FOR THE  
5 TAXPAYER AND THE TAXPAYER'S SPOUSE.

6 (2) IF THE AMOUNT OF THE CREDIT UNDER THIS SECTION EXCEEDS  
7 THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THE PORTION  
8 OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE  
9 REFUNDED.

10 (3) AS USED IN THIS SECTION, "LONG-TERM CARE INSURANCE"  
11 MEANS THAT TERM AS DEFINED IN SECTION 3901 OF THE INSURANCE CODE

1 OF 1956, 1956 PA 218, MCL 500.3901, OR "LONG-TERM CARE COVERAGE"  
2 AS THAT TERM IS DEFINED IN SECTION 420 OF THE NONPROFIT HEALTH  
3 CARE CORPORATION REFORM ACT, 1980 PA 350, MCL 550.1420.