

**INCOME TAX EXEMPTION FOR  
FOSTER CHILDREN**

**House Bill 4672**  
**Sponsor: Rep. David Woodward**  
**Committee: Tax Policy**

**Complete to 8-25-03**

**A SUMMARY OF HOUSE BILL 4672 AS INTRODUCED 5-13-03**

The bill would amend the Income Tax Act to allow a taxpayer who serves as a foster parent to claim an additional exemption of \$3,200 per foster child under his or her care. To be eligible to claim the exemption the taxpayer must be licensed under the child care licensing act (Public Act 116 of 1973), and have at least one foster child living in his or her home for at least 44 weeks during the tax year. In calculating the time spent living together to meet the 44-week threshold, the taxpayer could add together the time spent living in the home by more than one foster child. (An exemption reduces the amount of income subject to tax.)

MCL 206.30

House Bill 4612 (8-25-03)

Analyst: M. Wolf

■This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.