

HOUSE BILL No. 4684

May 14, 2003, Introduced by Reps. Steil, Hummel, Brandenburg, Milosch, Bradstreet, Acciavatti, Amos, Robertson, LaJoy, Voorhees and Farhat 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 270.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 270. (1) For tax years that begin after December 31,
2 2002, a qualified taxpayer may claim a credit against the tax
3 imposed by this act equal to \$500.00 for the tax year for each
4 child who is all of the following:

5 (a) A dependent of the taxpayer under section 30(2) for the
6 tax year.

7 (b) Is younger than 18 years of age on the last day of the
8 tax year.

9 (2) If the amount of the credit exceeds the tax liability of
10 the taxpayer for the tax year, that portion of the credit that
11 exceeds the tax liability shall be refunded.

1 (3) As used in this subsection, "qualified taxpayer" means a
2 taxpayer who meets all of the following criteria for the tax year
3 in which a credit is claimed under this section:

4 (a) Is married, lives in the same household as his or her
5 spouse, and the spouses file a joint return under this act.

6 (b) Either the taxpayer or the taxpayer's spouse is employed
7 full-time for the entire tax year outside of the home. For
8 purposes of this subdivision, an individual is employed full-time
9 if he or she works 37.5 hours or more per week or 75 hours or
10 more per 2-week period.

11 (c) The spouse who does not work full-time as described in
12 subdivision (b) does not at any time during the tax year work
13 outside of the home.