

SENATE BILL No. 862

November 3, 2005, Introduced by Senator GEORGE 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 275.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 275. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2005, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED UNDER
3 THIS ACT EQUAL TO THE PREMIUMS PAID IN THE TAX YEAR FOR AN
4 INSURANCE PLAN OR FOR HEALTH COVERAGE THAT INCLUDES A HEALTH
5 WELLNESS, MAINTENANCE, OR IMPROVEMENT PROGRAM COMPONENT.

6 (2) THE CREDIT UNDER THIS SECTION SHALL BE CLAIMED ONLY FOR
7 TAX YEARS FOR WHICH THE TAXPAYER DEMONSTRATES AND CAN PROVIDE TO
8 THE DEPARTMENT UPON REQUEST EVIDENCE OF DEMONSTRATIVE MAINTENANCE
9 OR IMPROVEMENT OF THE INDIVIDUAL'S OR A COVERED FAMILY MEMBER'S

1 HEALTH STATUS AS DETERMINED PURSUANT TO SECTION 414B(2) OF THE
2 NONPROFIT HEALTH CARE CORPORATION REFORM ACT, 1980 PA 350, MCL
3 550.1414B, OR SECTION 3426(2) OF THE INSURANCE CODE OF 1956, 1956
4 PA 218, MCL 500.3426.

5 (3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
6 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
7 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE
8 REFUNDED.

9 (4) AS USED IN THIS SECTION, "INSURANCE PLAN OR HEALTH
10 COVERAGE THAT INCLUDES A HEALTH WELLNESS, MAINTENANCE, OR
11 IMPROVEMENT PROGRAM COMPONENT" MEANS A PLAN DESCRIBED IN SECTION
12 414B OF THE NONPROFIT HEALTH CARE CORPORATION REFORM ACT, 1980 PA
13 350, MCL 550.1414B, OR SECTION 3426 OF THE INSURANCE CODE OF 1956,
14 1956 PA 218, MCL 500.3426.

15 Enacting section 1. This amendatory act does not take effect
16 unless all of the following bills of the 93rd Legislature are
17 enacted into law:

18 (a) Senate Bill No. 848.

19
20 (b) Senate Bill No. 849.