

SENATE BILL No. 863

November 3, 2005, Introduced by Senator GEORGE and referred to the Committee on Finance.

A bill to amend 1975 PA 228, entitled
"Single business tax act,"
(MCL 208.1 to 208.145) by adding section 35e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 35E. (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 WELLNESS
4 COVERAGE PLANS DESCRIBED IN SECTION 414B OF THE NONPROFIT HEALTH
5 CARE CORPORATION REFORM ACT, 1980 PA 350, MCL 550.1414B, OR SECTION
6 3426 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.3426.

7 (2) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2005, A
8 TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED UNDER THIS ACT
9 EQUAL TO THE COSTS PAID IN THE TAX YEAR FOR A WELLNESS MAINTENANCE
10 OR IMPROVEMENT PROGRAM THAT ARE NOT INCLUDED UNDER SUBSECTION (1),

1 FOR THE TAXPAYER'S EMPLOYEES. FOR THE COSTS PAID TO QUALIFY FOR THE
2 CREDIT UNDER THIS SUBSECTION, THE WELLNESS MAINTENANCE OR
3 IMPROVEMENT PROGRAM MUST MEET ALL OF THE FOLLOWING CRITERIA FOR
4 EACH TAX YEAR FOR WHICH A CREDIT UNDER THIS SUBSECTION IS CLAIMED:

5 (A) AN EMPLOYEE THAT PARTICIPATES IN THE WELLNESS MAINTENANCE
6 OR IMPROVEMENT PROGRAM RECEIVES A LIMITED REWARD FOR ALL WELLNESS
7 PROGRAMS AND THE PROGRAMS MUST REQUIRE SATISFACTION OF A STANDARD
8 RELATED TO A HEALTH FACTOR.

9 (B) THE WELLNESS MAINTENANCE OR IMPROVEMENT PROGRAM MUST BE
10 REASONABLY DESIGNED TO PROMOTE GOOD HEALTH OR PREVENT DISEASE FOR
11 EMPLOYEES IN THE PROGRAM.

12 (C) THE REWARD UNDER THE PROGRAM MUST BE AVAILABLE TO ALL
13 SIMILARLY SITUATED INDIVIDUALS. PLANS MUST ALLOW INDIVIDUALIZED
14 ADJUSTMENTS TO EMPLOYEES' WELLNESS MAINTENANCE OR IMPROVEMENT
15 PROGRAMS TO ADDRESS THE HEALTH FACTORS OF THE PARTICULAR EMPLOYEES
16 FOR WHOM IT IS UNREASONABLY DIFFICULT TO QUALIFY FOR THE BENEFITS
17 UNDER THE PROGRAM AND PROVIDE REASONABLE ALTERNATIVE STANDARDS.

18 (3) IF THE CREDITS ALLOWED UNDER THIS SECTION FOR THE TAX YEAR
19 AND ANY UNUSED CARRYFORWARD OF THE CREDITS ALLOWED UNDER THIS
20 SECTION EXCEED THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR,
21 THE EXCESS SHALL NOT BE REFUNDED, BUT MAY BE CARRIED FORWARD AS AN
22 OFFSET TO THE TAX LIABILITY IN SUBSEQUENT TAX YEARS FOR 10 TAX
23 YEARS OR UNTIL THE EXCESS CREDIT IS USED UP, WHICHEVER OCCURS
24 FIRST.

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

1 (a) Senate Bill No. 848.

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3 (b) Senate Bill No. 849.

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