

Act No. 278
Public Acts of 2016
Approved by the Governor
June 29, 2016
Filed with the Secretary of State
July 1, 2016
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STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016

Introduced by Reps. Poleski, Bumstead and Pscholka

ENROLLED HOUSE BILL No. 5458

AN ACT to amend 1967 PA 281, entitled “An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement by lien and otherwise of taxes on or measured by net income and on certain commercial, business, and financial activities; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal acts and parts of acts,” by amending section 637 (MCL 206.637), as added by 2011 PA 38.

The People of the State of Michigan enact:

Sec. 637. (1) Except as otherwise provided under subsection (3), an insurance company may claim a credit against the tax imposed under this chapter in the following amounts:

(a) Amounts paid to the Michigan worker’s compensation placement facility pursuant to chapter 23 of the insurance code of 1956, 1956 PA 218, MCL 500.2301 to 500.2352.

(b) Amounts paid to the Michigan basic property insurance association pursuant to chapter 29 of the insurance code of 1956, 1956 PA 218, MCL 500.2901 to 500.2954.

(c) Amounts paid to the Michigan automobile insurance placement facility pursuant to chapter 33 of the insurance code of 1956, 1956 PA 218, MCL 500.3301 to 500.3390.

(d) Amounts paid to the property and casualty guaranty association pursuant to chapter 79 of the insurance code of 1956, 1956 PA 218, MCL 500.7901 to 500.7949.

(e) Amounts paid to the Michigan life and health insurance guaranty association pursuant to chapter 77 of the insurance code of 1956, 1956 PA 218, MCL 500.7701 to 500.7780.

(2) The assessments of an insurance company from the immediately preceding tax year shall be used in calculating the credits allowed under this section for each tax year.

(3) For the 2016 tax year only, an insurance company shall only include in the calculation of a credit under this section 35% of the amounts paid to the Michigan automobile insurance placement facility that are attributable to the assigned claims plan approved under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179. For tax years beginning on and after January 1, 2017, an insurance company shall not include in the calculation of a credit under this section amounts paid to the Michigan automobile insurance placement facility that are attributable to the assigned claims plan approved under chapter 31 of the insurance code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor