

SENATE BILL NO. 1273

September 16, 1998, Introduced by Senators A. SMITH,
DE BEAUSSAERT, PETERS, BYRUM, CHERRY and HART 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 266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 266. (1) FOR THE 1998 TAX YEAR AND EACH TAX YEAR AFTER
2 THE 1998 TAX YEAR, A QUALIFIED TAXPAYER MAY CLAIM A CREDIT NOT TO
3 EXCEED \$500.00 AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO 50%
4 OF THE COST PAID BY THE QUALIFIED TAXPAYER IN THE TAX YEAR FOR A
5 LONG-TERM CARE INSURANCE POLICY FOR THE QUALIFIED TAXPAYER IF THE
6 QUALIFIED TAXPAYER IS 65 YEARS OF AGE OR OLDER OR FOR A FAMILY
7 MEMBER OF THE TAXPAYER WHO IS 65 YEARS OF AGE OR OLDER.
8 (2) THE TOTAL AMOUNT OF CREDITS CLAIMED IN A TAX YEAR UNDER
9 THIS SECTION FOR OR ON BEHALF OF ANY 1 INDIVIDUAL SHALL NOT
10 EXCEED \$500.00.

1 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
2 LIABILITY OF THE QUALIFIED TAXPAYER, THAT PORTION OF THE CREDIT
3 THAT EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED TO THE QUALIFIED
4 TAXPAYER.

5 (4) AS USED IN THIS SECTION:

6 (A) "COST" MEANS ANY PREMIUMS PAID AND ANY ADDITIONAL COSTS
7 INCURRED BY THE TAXPAYER TO MAINTAIN THE LONG-TERM CARE INSURANCE
8 POLICY.

9 (B) "FAMILY MEMBER" MEANS A SPOUSE, PARENT, SIBLING, CHILD,
10 OR STEP-CHILD.

11 (C) "LONG-TERM CARE INSURANCE POLICY" MEANS THAT TERM AS
12 DEFINED IN SECTION 3901 OF THE INSURANCE CODE OF 1956, 1956 PA
13 218, MCL 500.3901.

14 (D) "QUALIFIED TAXPAYER" MEANS A TAXPAYER WHO IS A RESIDENT
15 OF THIS STATE AND WHO HAS ADJUSTED GROSS INCOME OF \$100,000.00 OR
16 LESS FOR THE TAX YEAR IN WHICH THE CREDIT UNDER THIS SECTION IS
17 CLAIMED.