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TAX EXEMPTION: CARE OF FAMILY MEMBER OVER 60

House Bill 4357
Sponsor: Rep. Gerald Law
Committee: Tax Policy

Complete to 8-30-00

A SUMMARY OF HOUSE BILL 4357 AS INTRODUCED 3-2-99

The bill would amend the Income Tax Act to allow one additional exemption of \$1,500 to a taxpayer providing primary care for a family member older than 60 years of age, if the primary case was preventing the institutionalization of the family member, as determined by the Family Independence Agency. (An exemption reduces taxable income when calculating tax liability.) As introduced, the bill would apply to the 1999 tax year and each tax year thereafter.

The term “family member” would be defined to mean the taxpayer’s present or former spouse, natural or adoptive parent, natural or adopted child, sibling, uncle, aunt, nephew, niece, first cousin, stepparent, stepbrother, or stepsister, or a person defined as a dependent under Section 152 of the Internal Revenue Code. The definition would also include an individual who would be included in the above categories except that he or she was a half-blood relative, a relative of an adoptive parent, or a relative from the preceding generation as denoted by the prefixes “grand”, “great”, or “great-great”.

“Primary care” would be defined to mean acts that met the physical or mental requirements of a family member who could not meet those requirements without assistance or supervision. This could include those relating to health, safety, nutrition, hygiene, homemaking, or other activities of daily living.

MCL 206.30

Analyst: C. Couch

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