

SENATE BILL No. 155

February 11, 2003, Introduced by Senators SCOTT, SCHAUER, GOSCHKA, CLARK-COLEMAN, CHERRY, BARCIA and LELAND 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 270.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 270. (1) For tax years that begin after December 31,
2 2002, a taxpayer may claim a credit against the tax imposed by
3 this act equal to the amount paid in the tax year as premiums for
4 health care insurance for the taxpayer and the taxpayer's
5 immediate family members to the extent not paid or reimbursed to
6 the taxpayer from any other source.

7 (2) If the credit allowed under this section exceeds the tax
8 liability of the taxpayer for the tax year, that amount that
9 exceeds the tax liability shall be refunded.

10 (3) As used in this section:

11 (a) "Health care insurance" means any cost paid by the

1 taxpayer for health coverage under a policy, contract,
2 certificate, or self-funded plan.

3 (b) "Immediate family members" means the spouse, parents, and
4 children of the taxpayer claimed by the taxpayer as dependents
5 for federal income tax purposes.

6 (c) "Policy, contract, or certificate" means a policy,
7 contract, or certificate issued under the insurance code of 1956,
8 1956 PA 218, MCL 500.100 to 500.8302, or a certificate issued by
9 a nonprofit health care corporation operating under the nonprofit
10 health care corporation reform act, 1980 PA 350, MCL 550.1101 to
11 550.1704.