



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 1176 (as reported without amendment)
Sponsor: Senator Tony Stamas
Committee: Finance

CONTENT

The bill would amend the Income Tax Act to allow a taxpayer to claim a \$150 credit in the tax year for which he or she had a certificate of stillbirth from the Department of Community Health, as provided under Section 2834 of the Public Health Code. A taxpayer could claim the credit for tax years beginning after December 31, 2005.

If the amount of the credit exceeded the taxpayer's tax liability for the tax year, the excess portion would have to be refunded.

(Section 2834 of the Public Health Code requires that a fetal death occurring in the State be reported to the State Registrar within five days after delivery. With the reported information, the Department must create a certificate of stillbirth. The Code defines "fetal death" as the death of a fetus that has completed at least 20 weeks of gestation or weighs at least 400 grams.)

Proposed MCL 206.275

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would reduce income tax revenue by an estimated \$112,000 annually, beginning in FY 2006-07. This estimate is based on the \$150 refundable income tax credit proposed in this bill and the fact that there are about 750 stillbirths in Michigan annually, according to the Department of Community Health. About 80% of this loss in revenue would affect the General Fund/General Purpose budget and the remaining 20% would affect the School Aid Fund. There would be no direct impact on local government.

Date Completed: 3-30-06

Fiscal Analyst: Jay Wortley