



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 1176 (as introduced 3-22-06)
Sponsor: Senator Tony Stamas
Committee: Finance

Date Completed: 3-29-06

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 (described below). 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.

Proposed MCL 206.275

BACKGROUND

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. Fetal death reports are permanent vital records and must be incorporated into the State's system of vital statistics. (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. The State Registrar is a person appointed by the Director of the Department of Community Health to administer the system of vital statistics.)

Section 2834 requires the Department, with the information reported to it under these provisions, to create a certificate of stillbirth which must conform as nearly as possible to recognized national standardized forms and include at least the following information:

- The name of the fetus, if it was given a name by the parent or parents.
- The number of weeks gestation completed.
- The date of delivery and weight at the time of delivery.
- The name of the parents.
- The name of the health facility in which the fetus was delivered or the name of the health professional in attendance if the delivery was outside a health facility.

Legislative Analyst: Suzanne Lowe

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.

Fiscal Analyst: Jay Wortley

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