

HOUSE BILL NO. 5246

November 13, 2019, Introduced by Reps. Haadsma, Robinson, Wittenberg, Elder, Kuppa, Peterson, Hope, Cambensy, Manoogian, Sabo, Byrd, Garrett, Cynthia Johnson, Ellison, Yancey, Garza, Liberati, Tyrone Carter, Tate, Hammoud, Shannon, Camilleri, Greig, Koleszar, Bolden, Sowerby, Gay-Dagnogo, Lasinski, Hood, Coleman, Rabhi, Stone, Pohutsky, Hertel, Chirkun, Sneller, Cherry, Whitsett, Kennedy, Brenda Carter and Witwer and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding section 280.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 280. (1) For tax years that begin on and after January 1,
2 2020, subject to the limitations under this section, a taxpayer who
3 is a qualified veteran may claim a credit against the tax imposed
4 by this part of \$750.00 for a single return or if both spouses
5 filing a joint return are qualified veterans, \$1,500.00 for a joint
6 return. The credit allowed under this section shall be reduced by



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1 10% for each taxpayer whose adjusted gross income exceeds
2 \$50,000.00 and by an additional 10% for each increment of \$1,000.00
3 of adjusted gross income in excess of \$50,000.00.

4 (2) If the credit allowed under this section exceeds the tax
5 liability of the taxpayer for the tax year, that portion of the
6 credit that exceeds the tax liability shall not be refunded.

7 (3) As used in this section:

8 (a) "Qualified veteran" means a veteran who separated from
9 military service during the tax year and who satisfies at least 1
10 of the following:

11 (i) Has served at least 20 years in the military.

12 (ii) Has been determined by the United States Department of
13 Veterans Affairs to be permanently and totally disabled as a result
14 of military service and entitled to veterans' benefits at the 100%
15 rate.

16 (iii) Has been determined by the United States Department of
17 Veterans Affairs to be eligible for pension or other retirement
18 benefits for services in the United States Armed Forces.

19 (b) "Veteran" means an individual who served in the United
20 States Armed Forces, including reserve components, and was
21 discharged or released under conditions other than dishonorable.

