

SENATE BILL NO. 378

April 21, 2021, Introduced by Senators RUNESTAD, NESBITT, MACDONALD, HORN, SCHMIDT, LASATA, BARRETT and VANDERWALL and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.713) by adding section 254.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 254. (1) For tax years that begin on and after January 1,
2 2021 through December 31, 2024, a taxpayer may claim a credit
3 against the tax imposed by this part equal to \$500.00 for each
4 qualified dependent of the taxpayer for which an exemption was
5 claimed under section 30(2)(b) for that same tax year. If the
6 credit allowed under this section exceeds the tax liability of the

1 taxpayer for the tax year, that portion of the credit that exceeds
2 the tax liability shall not be refunded.

3 (2) As used in this section, "qualified dependent" means a
4 dependent who is younger than 19 years of age on the last day of
5 the tax year for which the credit is claimed.

6 Enacting section 1. This amendatory act is intended to be
7 retroactive and applies for tax years that begin on and after
8 January 1, 2021.