

SINGLE BUSINESS TAX ACT (EXCERPT)
Act 228 of 1975

***** 208.22d THIS SECTION IS REPEALED BY ACT 325 OF 2006 EFFECTIVE DECEMBER 31, 2007

208.22d Insurance policyholder protection fund; creation; appropriations or transfers; deposits; disbursements.

Sec. 22d. (1) There is created within the department of treasury an insurance policyholder protection fund. Amounts deposited in the insurance policyholder protection fund shall not be appropriated or transferred except as provided by this section.

(2) For the tax year beginning October 1, 1987 and ending September 30, 1988, an amount equal to the revenue collected from insurance companies pursuant to this act and section 476a of the insurance code of 1956, and from the accident fund pursuant to section 476c of the insurance code of 1956, for that tax year that are in excess of \$195,000,000.00 shall be deposited in the insurance policyholder protection fund.

(3) For the tax year beginning October 1, 1988 and ending September 30, 1989, an amount equal to the revenue collected from insurance companies pursuant to this act and section 476a of the insurance code of 1956, and from the accident fund pursuant to section 476c of the insurance code of 1956, for that tax year that are in excess of \$193,000,000.00 shall be deposited in the insurance policyholder protection fund.

(4) Amounts deposited in the fund shall be disbursed annually from the fund pursuant to the following order of priority:

(a) To the life and health guaranty association under chapter 77 of the insurance code of 1956 and the property and casualty guaranty association under chapter 79 of the insurance code of 1956, to be used solely for the reduction of assessments to members for that year, in proportion to the assessments levied by the associations.

(b) If assessments to members of the life and health guaranty association and the property and casualty association are eliminated pursuant to subdivision (a), any excess shall be transferred to the Michigan basic property insurance association under chapter 29 of the insurance code of 1956, the automobile insurance placement facility under chapter 33 of the insurance code of 1956, and the Michigan worker's compensation placement facility under chapter 23 of the insurance code of 1956, to be used solely for the reduction of assessments to members for that year in proportion to the premium volume of the association and facilities for each rating plan or line of insurance.

(c) If assessments to member insurers are eliminated pursuant to subdivision (b), any excess shall be credited to the general fund.

History: Add. 1987, Act 262, Imd. Eff. Dec. 28, 1987.