

HOUSE BILL No. 4401

March 9, 1989, Introduced by Reps. Watkins, Bryant, Leland, Hoffman, DeMars, Perry Bullard, Joe Young, Jr., Kilpatrick, Murphy, Harrison, Walberg, Watkins, Martin, Wallace, Munsell, Honigman, Pitoniak and Runco and referred to the Committee on Taxation.

A bill to amend section 39a of Act No. 228 of the Public Acts of 1975, entitled
"Single business tax act,"
as added by Act No. 468 of the Public Acts of 1980, being section 208.39a of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 39a of Act No. 228 of the Public Acts of
2 1975, as added by Act No. 468 of the Public Acts of 1980, being
3 section 208.39a of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 39a. (1) As used in this section:

6 (a) "Child care services" means the care and protection of a
7 child who is ALL OF THE FOLLOWING:

8 (i) Under 14 years of age.

1 (ii) A dependent of an employee of that employer and not a
2 member of the family of a sole propriety or partnership.

3 (iii) Enrolled in a facility licensed by the department of
4 social services pursuant to Act No. 116 of the Public Acts of
5 1973, as amended, being sections 722.111 to 722.128 of the
6 Michigan Compiled Laws.

7 (b) "Equivalent hour" is determined by taking the total
8 number of hours of child care services provided to each eligible
9 child which is paid by the employer ~~, as defined in this act,~~
10 and dividing each eligible child's total number of hours by
11 2,000. The result shall be carried to the second decimal place.

12 (2) An employer who pays for child care services for an
13 employee during the employee's hours of employment and does not
14 charge the employee for the service ~~shall be~~ IS allowed a
15 credit against the tax imposed by this act for the taxable year
16 ~~in~~ in an amount determined by multiplying the sum of all result-
17 ing equivalent hours ~~, as determined in subsection (b),~~ by
18 \$45.00.

19 (3) The credit allowed by this section shall not be in
20 excess of 10% of the tax liability of the taxpayer under this
21 act.

22 ~~(4) This section shall take effect for tax years beginning~~
23 ~~after December 31, 1980 and before January 1, 1983.~~