

HOUSE BILL No. 5472

February 8, 1990, Introduced by Reps. Bartnik, DeBeaussiaert, Weeks, Owen, DeMars, Martin, Wallace, Ciaramitaro, Pitoniak, Gire, Nye, Scott, Hart and Niederstadt and referred to the Committee on Military and Veterans' Affairs.

A bill to amend section 510 of Act No. 281 of the Public Acts of 1967, entitled
"Income tax act of 1967,"
as amended by Act No. 261 of the Public Acts of 1988, being section 206.510 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 510 of Act No. 281 of the Public Acts of
2 1967, as amended by Act No. 261 of the Public Acts of 1988, being
3 section 206.510 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 510. (1) "Income" means the sum of federal adjusted
6 gross income as defined in the internal revenue code plus all
7 income specifically excluded or exempt from the computations of
8 the federal adjusted gross income except that beginning with the
9 1988 tax year, a deduction for a carryback or carryover of a net

1 operating loss shall not exceed federal modified taxable income
2 as defined in section 172(b)(2) of the internal revenue code.
3 ~~The term~~ BEGINNING WITH THE 1977 TAX YEAR AND FOR TAX YEARS
4 AFTER 1977, A PERSON WHO IS ENROLLED IN AN ACCIDENT OR HEALTH
5 INSURANCE PLAN MAY DEDUCT FROM INCOME THE AMOUNT THE PERSON HAS
6 PAID IN PREMIUMS IN THE TAX YEAR FOR THAT INSURANCE PLAN FOR THE
7 PERSON'S FAMILY. INCOME does not include the FOLLOWING:

8 (A) THE first \$300.00 of gifts in cash or kind from nongov-
9 ernmental sources. ~~or the~~

10 (B) THE first \$300.00 received from awards, prizes, lottery,
11 bingo, or other gambling winnings. ~~Income does not include~~
12 ~~surplus~~

13 (C) SURPLUS foods ~~, OR~~ relief in kind supplied by a gov-
14 ernmental agency. ~~, payments~~

15 (D) PAYMENTS or credits under this act. ~~, any~~

16 (E) A governmental grant that has to be used by the claimant
17 for rehabilitation of the homestead. ~~, amounts~~

18 (F) AMOUNTS deducted from monthly social security or rail-
19 road retirement benefits for medicare premiums. ~~, or~~
20 ~~contributions~~

21 (G) CONTRIBUTIONS by an employer to life, accident, or
22 health insurance plans. ~~Income does not include energy~~

23 (H) ENERGY assistance grants and energy assistance tax
24 credits. ~~Beginning with the 1977 tax year and for tax years~~
25 ~~after 1977, a person who is enrolled in an accident or health~~
26 ~~insurance plan may deduct from income the amount the person has~~

1 ~~paid in premiums in the tax year for that insurance plan for the~~
2 ~~person's family.~~

3 (1) AMOUNTS PAID AS A JUDGMENT OR SETTLEMENT FOR DAMAGES
4 SUFFERED AS A RESULT OF EXPOSURE TO AGENT ORANGE, AS DEFINED IN
5 SECTION 5701 OF THE PUBLIC HEALTH CODE, ACT NO. 368 OF THE PUBLIC
6 ACTS OF 1978, BEING SECTION 333.5701 OF THE MICHIGAN COMPILED
7 LAWS.

8 (2) "Owner" means a natural person who owns or is purchasing
9 a homestead under a mortgage or land contract, who owns or is
10 purchasing a dwelling situated on the leased lands of another, or
11 who is a tenant-stockholder of a cooperative housing
12 corporation.