[No. 393]

(HB 4812)

AN ACT to amend 1967 PA 281, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," (MCL 206.1 to 206.532) by adding section 268.

The People of the State of Michigan enact:

206.268 Tax exemption; qualified adoption expenses; definitions. [M.S.A. 7.557(1268)]

Sec. 268. (1) For tax years that begin after December 31, 2000, an eligible taxpayer may claim a credit under section 267 against the tax imposed by this act equal to the taxpayer's qualified adoption expenses in excess of the amount of credit for qualified adoption expenses the taxpayer claimed under section 23 of the internal revenue code or \$1,200.00 per child, whichever is less.

- (2) As used in this section:
- (a) "Eligible taxpayer" means that term as defined in section 267.
- (b) "Qualified adoption expenses" means adoption expenses that are eligible to be used by an eligible taxpayer to claim a credit against the taxpayer's federal tax liability under section 23 of the internal revenue code for the same tax year that the taxpayer is claiming a credit under this section.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 4852 of the 90th Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved January 8, 2001.

Filed with Secretary of State January 8, 2001.

Compiler's note: House Bill No. 4852, referred to in enacting section 1, was filed with the Secretary of State January 8, 2001, and became P.A. 2000, No. 394, Imd. Eff. Jan. 8, 2001.