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REMOVE HEALTH PLAN COSTS FROM SBT TAX BASE

House Bill 4175

Sponsor: Rep. Gerald VanWoerkom
Committee: Tax Policy

Complete to 3-5-99

A SUMMARY OF HOUSE BILL 4175 AS INTRODUCED 2-9-99

The tax base of Michigan's single business tax (SBT) is typically described as being composed of a firm's compensation paid (or labor costs), profits, interest, and depreciation. House Bill 4175 would amend the Single Business Tax Act to remove from the tax base, beginning with the 1999 tax year, payments under health and welfare and non-insured benefit plans and payments of fees for the administration of health and welfare and non-insured benefit plans. The bill would specify that these payments would not be included in compensation for purposes of determining the SBT tax base.

MCL 208.4

House Bill 4175 (3-5-99)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.