

HOUSE BILL No. 5654

April 18, 2000, Introduced by Reps. Shackleton, Mead, Birkholz, Allen, Van Woerkom and Gilbert and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 30f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 30F. FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
2 TAXABLE INCOME FOR PURPOSES OF THIS ACT EQUALS TAXABLE INCOME AS
3 DETERMINED UNDER SECTION 30 WITH THE FOLLOWING ADJUSTMENTS:

4 (A) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
5 DEDUCT, TO THE EXTENT NOT DEDUCTED IN DETERMINING ADJUSTED GROSS
6 INCOME, INTEREST EARNED IN THE TAX YEAR ON THE CONTRIBUTIONS TO
7 THE TAXPAYER'S EDUCATION SAVINGS ACCOUNTS IF THE CONTRIBUTIONS
8 WERE DEDUCTIBLE UNDER SECTION 30(1)(W)(i).

9 (B) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 1999,
10 DEDUCT, TO THE EXTENT INCLUDED IN ADJUSTED GROSS INCOME,
11 DISTRIBUTIONS THAT ARE QUALIFIED WITHDRAWALS FROM AN EDUCATION

HB5654, As Passed House, May 18, 2000

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1 SAVINGS ACCOUNT TO THE DESIGNATED BENEFICIARY OF THAT EDUCATION
2 SAVINGS ACCOUNT. AS USED IN THIS SUBDIVISION, "QUALIFIED
3 WITHDRAWAL" MEANS THAT TERM AS DEFINED IN THE MICHIGAN EDUCATION
4 SAVINGS PROGRAM ACT.

5 Enacting section 1. This amendatory act does not take
6 effect unless Senate Bill No. 599 of the 90th Legislature is
7 enacted into law.