

HOUSE BILL No. 4417

March 26, 2015, Introduced by Reps. Neeley, Gay-Dagnogo, Hoadley, Phelps, Derek Miller, Sarah Roberts, Banks, Robinson, Geiss, Guerra, Faris, Durhal, Moss, Byrd and Garrett 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 206.713) by adding section 253.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 253. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2015, SUBJECT TO THE LIMITATIONS UNDER THIS SECTION, A TAXPAYER
3 WITH AN ADJUSTED GROSS INCOME EQUAL TO OR LESS THAN \$30,000.00 FOR
4 A SINGLE RETURN, OR \$60,000.00 FOR A JOINT RETURN, MAY CLAIM A
5 CREDIT AGAINST THE TAX IMPOSED BY THIS PART IN AN AMOUNT EQUAL TO
6 100% OF THE ELIGIBLE COSTS INCURRED BY THE TAXPAYER DURING THE TAX
7 YEAR FOR THE PURPOSE OF MAKING ALL OR ANY PORTION OF THE TAXPAYER'S
8 PRINCIPAL RESIDENCE ACCESSIBLE TO THE TAXPAYER IF HE OR SHE HAS A
9 DISABILITY OR TO AN INDIVIDUAL WITH A DISABILITY WHO PERMANENTLY
10 RESIDES WITH THE TAXPAYER.
11 (2) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2015, A

1 TAXPAYER WITH AN ADJUSTED GROSS INCOME OF MORE THAN \$30,000.00 BUT
2 LESS THAN \$60,000.00 FOR A SINGLE RETURN, OR MORE THAN \$60,000.00
3 BUT LESS THAN \$120,000.00 FOR A JOINT RETURN, MAY CLAIM A CREDIT
4 AGAINST THE TAX IMPOSED BY THIS PART IN AN AMOUNT EQUAL TO 50% OF
5 THE ELIGIBLE COSTS INCURRED DURING THE TAX YEAR FOR THE PURPOSE OF
6 MAKING ALL OR ANY PORTION OF THE TAXPAYER'S PRINCIPAL RESIDENCE
7 ACCESSIBLE TO THE TAXPAYER IF HE OR SHE HAS A DISABILITY OR TO AN
8 INDIVIDUAL WITH A DISABILITY WHO PERMANENTLY RESIDES WITH THE
9 TAXPAYER.

10 (3) TO CLAIM THE CREDIT ALLOWED UNDER THIS SECTION, THE
11 TAXPAYER SHALL, IN THE MANNER REQUIRED BY THE DEPARTMENT, PROVIDE
12 VERIFICATION OF THE COSTS CLAIMED UNDER THIS SECTION TO MAKE THE
13 TAXPAYER'S PRINCIPAL RESIDENCE ACCESSIBLE FOR INDIVIDUALS WITH
14 DISABILITIES. A TAXPAYER SHALL NOT INCLUDE ANY COSTS IN THE
15 CALCULATION OF THE CREDIT UNDER THIS SECTION FOR WHICH THE TAXPAYER
16 HAS ALREADY DEDUCTED THOSE COSTS FROM HIS OR HER ADJUSTED GROSS
17 INCOME, HAS CLAIMED A FEDERAL CREDIT FOR THOSE COSTS, OR HAS
18 OTHERWISE BEEN PAID OR REIMBURSED FOR THOSE COSTS FROM ANY OTHER
19 SOURCE.

20 (4) THE MAXIMUM AMOUNT ALLOWED AS A CREDIT UNDER THIS SECTION
21 FOR A TAX YEAR IS \$2,500.00.

22 (5) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION
23 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT
24 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY OF THE
25 TAXPAYER FOR THE TAX YEAR SHALL BE REFUNDED.

26 (6) AS USED IN THIS SECTION:

27 (A) "DISABILITY" MEANS A PHYSICAL OR MENTAL IMPAIRMENT WHICH

1 SUBSTANTIALLY LIMITS 1 OR MORE OF A PERSON'S MAJOR LIFE ACTIVITIES
2 THAT HAS LASTED OR THAT CAN BE EXPECTED TO LAST FOR A CONTINUOUS
3 PERIOD OF NOT LESS THAN 12 MONTHS.

4 (B) "ELIGIBLE COSTS" MEANS COSTS INCURRED BY THE TAXPAYER FOR
5 ANY OF THE FOLLOWING MODIFICATIONS MADE TO THE TAXPAYER'S PRINCIPAL
6 RESIDENCE:

7 (i) CONSTRUCTING ENTRANCE OR EXIT RAMPS.

8 (ii) WIDENING EXTERIOR OR INTERIOR DOORWAYS.

9 (iii) WIDENING HALLWAYS.

10 (iv) INSTALLING HANDRAILS OR GRAB BARS.

11 (v) MOVING ELECTRICAL OUTLETS AND SWITCHES.

12 (vi) INSTALLING STAIRWAY LIFTS.

13 (vii) INSTALLING OR MODIFYING FIRE ALARMS, SMOKE DETECTORS, AND
14 OTHER ALERTING SYSTEMS.

15 (viii) MODIFYING HARDWARE OF DOORS.

16 (ix) MODIFYING BATHROOMS.

17 (C) "PRINCIPAL RESIDENCE" MEANS REAL PROPERTY EXEMPT AS
18 PROVIDED UNDER SECTION 7CC OF THE GENERAL PROPERTY TAX ACT, 1893 PA
19 206, MCL 211.7CC.