

HOUSE BILL No. 5179

October 25, 2017, Introduced by Reps. Green, Santana, Hammoud, Ellison, Sneller, Rabhi, Sowerby, Sabo, Chang, Hertel, Elder, Yanez, Durhal, Scott, Schor, Pagan, Love, Cochran, Robinson, Dianda, Lucido, Gay-Dagnogo, Geiss, Zemke and Jones 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 275.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 275. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,**
2 **2016, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS**
3 **ACT EQUAL TO THE FOLLOWING SPECIFIED PERCENTAGES OF THE CREDIT THE**
4 **TAXPAYER IS ALLOWED TO CLAIM AS A CREDIT UNDER SECTION 21 OF THE**
5 **INTERNAL REVENUE CODE FOR A TAX YEAR ON A RETURN FILED UNDER THIS**
6 **ACT FOR THE SAME TAX YEAR:**

7 **(A) FOR A TAXPAYER WITH AN ADJUSTED GROSS INCOME AS DEFINED IN**
8 **THE INTERNAL REVENUE CODE OF LESS THAN \$25,000.00, 110%.**

9 **(B) FOR A TAXPAYER WITH AN ADJUSTED GROSS INCOME AS DEFINED IN**
10 **THE INTERNAL REVENUE CODE OF \$25,000.00 OR MORE BUT LESS THAN**
11 **\$40,000.00, 100%.**

1 (C) FOR A TAXPAYER WITH AN ADJUSTED GROSS INCOME AS DEFINED IN
2 THE INTERNAL REVENUE CODE OF \$40,000.00 OR MORE BUT LESS THAN
3 \$65,000.00, 80%.

4 (D) FOR A TAXPAYER WITH AN ADJUSTED GROSS INCOME AS DEFINED IN
5 THE INTERNAL REVENUE CODE OF \$65,000.00 OR MORE BUT LESS THAN
6 \$100,000.00, 20%.

7 (2) IF THE CREDIT ALLOWED BY THIS SECTION EXCEEDS THE TAX
8 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE
9 CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL BE REFUNDED.