

HOUSE BILL No. 5380

January 10, 2018, Introduced by Reps. Green, Schor, Rabhi, Sabo, Dianda, Geiss, Cambensy, Chirkun, Elder, Liberati, Moss, Pagan, Lasinski, Lucido, Phelps, Cochran, Wittenberg, Gay-Dagnogo, Jones, Peterson, Kosowski and Love 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 675.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 675. (1) FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31,
2 2017, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX IMPOSED BY THIS
3 PART EQUAL TO 50% OF THE TAXPAYER'S EXPENSES PAID IN THE TAX YEAR
4 TO PROVIDE A CHILD CARE CENTER FOR THE TAXPAYER'S EMPLOYEES AT THE
5 SITE WHERE THOSE EMPLOYEES ARE EMPLOYED MINUS ALL PAYMENTS TO THE
6 TAXPAYER FOR CHILD CARE SERVICES FROM A PARENT OF THE CHILDREN
7 BEING CARED FOR OR FROM ANY OTHER SOURCE.

8 (2) THE EXPENSES THAT MAY BE USED TO CALCULATE THE CREDIT
9 UNDER THIS SECTION INCLUDE, BUT ARE NOT LIMITED TO, ALL OF THE
10 FOLLOWING:

1 (A) COMPENSATION PAID TO CHILD CARE PROVIDERS.

2 (B) PURCHASE OF SUPPLIES, EQUIPMENT, FOOD, OR OTHER SIMILAR
3 ITEMS USED EXCLUSIVELY TO SUPPORT THE PROVISION OF CHILD CARE
4 SERVICES.

5 (C) COSTS OF CONSTRUCTION, MAINTENANCE, OR REPAIR TO THE CHILD
6 CARE CENTER IN WHICH THE CHILD CARE SERVICES ARE PROVIDED.

7 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX YEAR
8 AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED UNDER THIS
9 SECTION EXCEED THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR,
10 THE EXCESS SHALL NOT BE REFUNDED, BUT MAY BE CARRIED FORWARD AS AN
11 OFFSET TO THE TAX LIABILITY IN SUBSEQUENT TAX YEARS FOR 10 TAX
12 YEARS OR UNTIL THE EXCESS CREDIT IS USED UP, WHICHEVER OCCURS
13 FIRST.

14 (4) AS USED IN THIS SECTION, "CHILD CARE CENTER" MEANS A CHILD
15 CARE CENTER OR DAY CARE CENTER LICENSED UNDER 1973 PA 116, MCL
16 722.111 TO 722.128.