

HOUSE BILL NO. 6233

December 04, 2024, Introduced by Reps. Brenda Carter, Young, Whitsett, Scott, O'Neal, Neeley, Paiz, Farhat and MacDonell and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 471 (MCL 206.471), as amended by 2023 PA 100,
and by adding section 471a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 471. (1) The department shall administer the tax imposed
- 2 by this part. The department shall prescribe forms for use by
- 3 taxpayers and may promulgate rules for all of the following:
- 4 (a) The maintenance by taxpayers of records, books, and
- 5 accounts.

1 (b) The computation of the tax.

2 (c) The manner and time of changing or electing accounting
3 methods and of exercising the accounting method options contained
4 in this part.

5 (d) The making of returns, the payment of tax due, and the
6 ascertainment, assessment, and collection of the tax.

7 (2) The rules ~~shall~~**must** follow the rulings of the United
8 States Internal Revenue Service with respect to the federal income
9 tax if those rulings are not inconsistent with this part, and the
10 department may adopt as a part of the rules any portions of the
11 internal revenue code or rulings, in whole or in part.

12 (3) Each state income tax return ~~shall~~**must** contain a space
13 for the taxpayer to indicate the school district in which the
14 taxpayer resides. Beginning with the 2023 tax year and each tax
15 year after 2023, the state income tax return ~~shall~~**must** contain a
16 space for the individual taxpayer to indicate if the individual
17 taxpayer is willing to participate in the anatomical gift donor
18 registry under part 101 of the public health code, 1978 PA 368, MCL
19 333.10101 to 333.10123. The state income tax return ~~shall~~**must** also
20 include the following statement under that space: "An individual
21 taxpayer willing to participate in the anatomical gift donor
22 registry must complete the donor registry schedule and submit it
23 with the taxpayer's state income tax return.". **Beginning with the**
24 **2025 tax year and each tax year after 2025, the state income tax**
25 **return must include with the separate contributions schedule**
26 **created under section 435 a health care coverage checkoff box in**
27 **accordance with section 471a for indicating whether the individual**
28 **taxpayer, the spouse in the case of a joint return, or both are**
29 **uninsured individuals at the time the tax return is filed.**

1 (4) The department may provide information in the instruction
2 booklet about the purchase of an annual state park motor vehicle
3 permit pursuant to part 741 of the natural resources and
4 environmental protection act, 1994 PA 451, MCL 324.74101 to
5 324.74126.

6 (5) In the instruction booklet that accompanies the annual
7 return required under this part, the department shall include all
8 of the following:

9 (a) A clear and concise listing of each credit and each
10 deduction allowed under this part and a reference to a detailed
11 explanation.

12 (b) A summary of state expenditures and revenues by major
13 category, in dollar amounts and percentage of total, for the most
14 recent state fiscal year that the information is available.

15 (c) Beginning with the 2023 tax year, information describing
16 the donor registry program maintained by Michigan's federally
17 designated organ procurement organization or its successor
18 organization under section 10120 of the public health code, 1978 PA
19 368, MCL 333.10120, explaining the taxpayer's right to make an
20 anatomical gift in the event of death under part 101 of the public
21 health code, 1978 PA 368, MCL 333.10101 to 333.10123, and providing
22 the taxpayer with the opportunity to specify, in a form and manner
23 as prescribed by the department under section 474, on the
24 taxpayer's annual return required under this part that the
25 individual taxpayer is willing to participate in the anatomical
26 gift donor registry under part 101 of the public health code, 1978
27 PA 368, MCL 333.10101 to 333.10123.

28 **(d) Beginning with the 2025 tax year, after consultation with**
29 **the department of insurance and financial services and the**

1 department of health and human services, language that is simple,
2 clear, and as easy to understand as possible describing the effects
3 of disclosing health insurance status on the state income tax
4 return and choosing the health care coverage checkoff box to
5 authorize the department to disclose information to the department
6 of insurance and financial services, the department of health and
7 human services, and the exchange and the purposes for which the
8 information disclosed under section 471a may be used.

9 (6) The department shall post the list described in subsection
10 (5)(a) on the department's official website.

11 Sec. 471a. (1) The health care coverage checkoff box required
12 under section 471 to be included with the separate contributions
13 schedule created under section 435 must include all of the
14 following:

15 (a) A space to include each uninsured individual's date of
16 birth.

17 (b) A space for the taxpayer to indicate if the taxpayer is
18 interested in insurance affordability programs administered by the
19 department of health and human services or qualified health plans
20 available through the marketplace operated by the exchange under
21 the Michigan health insurance exchange act.

22 (c) A separate checkoff box for the taxpayer to authorize the
23 department to share the individual taxpayer's information with the
24 department of insurance and financial services, the department of
25 health and human services, and the exchange to determine the
26 individual's eligibility for insurance affordability programs or
27 qualified health plans in this state as follows: "I authorize the
28 department or the department's designee to share information from
29 this tax return with the department of insurance and financial

1 services, the department of health and human services, and the
2 exchange for the purpose of determining pre-eligibility for no-cost
3 or low-cost health care coverage in this state.".

4 (2) If the taxpayer checks the box to authorize the department
5 to share the information as provided in subsection (1)(c), the
6 department shall convey to the department of insurance and
7 financial services, the department of health and human services,
8 and the exchange all insurance-relevant information contained on
9 that individual taxpayer's income tax return. The confidentiality
10 restrictions provided in section 28(1)(f) of 1941 PA 122, MCL
11 205.28, do not apply to the disclosure authorized under this
12 section.

13 (3) As used in this section and section 471:

14 (a) "Exchange", "marketplace", and "qualified health plans"
15 mean those terms as defined under sections 103 and 105 of the
16 Michigan health insurance exchange act.

17 (b) "Insurance affordability programs" means any of the
18 following:

19 (i) The state's Medicaid program established under title XIX of
20 the social security act, 42 USC 1396 to 1396w-8.

21 (ii) The federal Medicare program established under title XVIII
22 of the social security act, 42 USC 1395 to 1395lll.

23 (iii) The MICHild program or children's special health care
24 services program.

25 (iv) Premium tax credits described under section 36B of the
26 internal revenue code.

27 (v) Any cost-sharing reductions.

28 (c) "Insurance-relevant information" means information about
29 an uninsured individual that is needed for the department of

1 insurance and financial services, the department of health and
2 human services, or the exchange, whichever is applicable, to do any
3 of the following:

4 (i) Identify the uninsured individual, including when matching
5 data available from third-party data sources.

6 (ii) Facilitate the determination of the uninsured individual's
7 eligibility for an insurance affordability program or qualified
8 health plan.

9 (iii) Facilitate enrollment by the uninsured individual in an
10 insurance affordability program or qualified health plan.

11 Enacting section 1. This amendatory act does not take effect
12 unless both of the following bills of the 102nd Legislature are
13 enacted into law:

14 (a) Senate Bill No. 633.

15 (b) Senate Bill No. ____ or House Bill No. 6232 (request no.
16 04808'23 a *) of the 102nd Legislature is enacted into law.