



HOUSE BILL No. 5763

April 17, 1996, Introduced by Reps. Hill, Llewellyn, Goschka, Cropsey, Jellema, Ryan, Dalman, Bodem, Walberg, Hammerstrom, Horton, McManus, Law, Dobb and Perricone and referred to the Committee on Tax Policy.

A bill to amend Act No. 281 of the Public Acts of 1967, entitled "Income tax act of 1967," as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, by adding section 30d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 281 of the Public Acts of 1967, as
2 amended, being sections 206.1 to 206.532 of the Michigan Compiled
3 Laws, is amended by adding section 30d to read as follows:

4 SEC. 30D. FOR EACH TAX YEAR AFTER THE 1996 TAX YEAR, THE
5 ADDITIONAL EXEMPTION ALLOWED UNDER SECTION 30(3) SHALL BE
6 ADJUSTED BY MULTIPLYING THE EXEMPTION FOR THE TAX YEAR BEGINNING
7 IN 1996 BY A FRACTION, THE NUMERATOR OF WHICH IS THE UNITED
8 STATES CONSUMER PRICE INDEX FOR THE STATE FISCAL YEAR ENDING IN
9 THE TAX YEAR FOR WHICH THE ADJUSTMENT IS BEING MADE AND THE

1 DENOMINATOR OF WHICH IS THE UNITED STATES CONSUMER PRICE INDEX
2 FOR THE 1995-96 STATE FISCAL YEAR. THE RESULTANT PRODUCT SHALL
3 BE ROUNDED TO THE NEAREST \$100.00 INCREMENT WHICH SHALL BE THE
4 EXEMPTION FOR THE TAX YEAR. AS USED IN THIS SECTION, "UNITED
5 STATES CONSUMER PRICE INDEX" MEANS THE UNITED STATES CONSUMER
6 PRICE INDEX FOR ALL URBAN CONSUMERS AS DEFINED AND REPORTED BY
7 THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
8 STATISTICS.