

HOUSE BILL No. 4463

March 6, 1997, Introduced by Rep. Willard and referred to the Committee on Senior Citizens and Veterans Affairs.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
(MCL 206.1 to 206.532) by adding section 266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 266. (1) FOR THE 1998 TAX YEAR AND EACH TAX YEAR AFTER
2 1998, IF A TAXPAYER CLAIMS A CREDIT FOR HOUSEHOLD AND DEPENDENT
3 CARE SERVICES UNDER SECTION 21 OF THE INTERNAL REVENUE CODE ON
4 HIS OR HER FEDERAL TAX RETURN, THE TAXPAYER MAY CLAIM A CREDIT ON
5 HIS OR HER RETURN AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO
6 THE AMOUNT SPENT IN THE TAX YEAR ON EMPLOYMENT-RELATED EXPENSES
7 AS DEFINED IN SECTION 21 OF THE INTERNAL REVENUE CODE OR 50% OF
8 THE MAXIMUM CREDIT AMOUNT ALLOWED UNDER SECTION 21 OF THE INTER-
9 NAL REVENUE CODE, WHICHEVER IS LESS.

1 (2) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE TAX
2 LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT PORTION OF THE
3 CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE REFUNDED.