

HOUSE BILL No. 5520

December 14, 2005, Introduced by Reps. Vander Veen, Taub, Newell, Sak, Brandenburg, Zelenko, Sheen, Stahl, Emmons, David Law, LaJoy, Gaffney, Robertson, Condino and Walker 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 206.532) 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 2004, A TAXPAYER WHO IS A PHYSICIAN OR DENTIST WHO PROVIDES MEDICAL
3 OR DENTAL SERVICES WITHOUT COST TO PATIENTS MAY CLAIM A CREDIT
4 AGAINST THE TAX IMPOSED BY THIS ACT EQUAL TO 50% OF THE COST OF
5 DONATED SERVICES NOT TO EXCEED \$5,000.00 PER TAX YEAR.

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

10 (3) AS USED IN THIS SECTION:

1 (A) "COST OF DONATED SERVICES" MEANS THE DIFFERENCE BETWEEN
2 THE AMOUNT THAT THE PHYSICIAN OR DENTIST WOULD REGULARLY CHARGE A
3 PATIENT FOR A SPECIFIC MEDICAL OR DENTAL SERVICE OR PROCEDURE AND
4 THE AMOUNT THAT THE MEDICAID PROGRAM WOULD PAY FOR THAT SERVICE OR
5 PROCEDURE IF THAT SERVICE OR PROCEDURE WOULD HAVE BEEN PAID FOR BY
6 THE MEDICAID PROGRAM HAD THE PATIENT BEEN ELIGIBLE FOR THE MEDICAID
7 PROGRAM.

8 (B) "DENTIST" MEANS THAT TERM AS DEFINED IN SECTION 16601 OF
9 THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.16601.

10 (C) "MEDICAID PROGRAM" MEANS A PROGRAM FOR MEDICAL ASSISTANCE
11 ESTABLISHED UNDER TITLE XIX OF THE SOCIAL SECURITY ACT, CHAPTER
12 531, 49 STAT. 620, 42 USC 1396 TO 1396F, 1396G-1 TO 1396R-6, AND
13 1396R-8 TO 1396V.

14 (D) "PHYSICIAN" MEANS THAT TERM AS DEFINED IN SECTION
15 17001(1)(C) OR 17501(1)(B) OF THE PUBLIC HEALTH CODE, 1978 PA 368,
16 MCL 333.17001 AND 333.17501.