

HOUSE BILL NO. 5628

March 20, 2024, Introduced by Reps. Tisdell, Martin, Beson, Kunse, Bierlein, BeGole, Paquette, Meerman, Kuhn, Fink, Schuette, DeBoer, DeBoyer, Rigas and Harris 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 206.847) by adding section 282.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 282. (1) For tax years that begin on and after January 1,
2 2024, a taxpayer may claim a credit against the tax imposed by this
3 part in an amount equal to the product of the rate imposed for the
4 tax year multiplied by the difference between the federal poverty
5 level for the number of persons in the taxpayer's household for the
6 same tax year and the amount of the personal and dependency

1 exemptions allowed to be claimed by the taxpayer under section
2 30(2) for the same tax year.

3 (2) If the credit allowed by this section exceeds the tax
4 liability of the taxpayer for the tax year, the state treasurer
5 shall refund 40% of the excess to the taxpayer without interest,
6 except as provided in section 30 of 1941 PA 122, MCL 205.30, and
7 the remaining excess shall not be refunded.

8 (3) As used in this section, "federal poverty level" means the
9 poverty guidelines published annually in the Federal Register by
10 the United States Department of Health and Human Services under its
11 authority to revise the poverty line under 42 USC 9902.