

2000 PUBLIC AND LOCAL ACTS

[No. 163]

(HB 5654)

AN ACT to amend 1967 PA 281, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," (MCL 206.1 to 206.532) by adding section 30f.

The People of the State of Michigan enact:

206.30f Taxable income; educational savings accounts; adjustment.
[M.S.A. 7.557(130f)]

Sec. 30f. For tax years that begin after December 31, 1999, taxable income for purposes of this act equals taxable income as determined under section 30 with the following adjustments:

(a) For tax years that begin after December 31, 1999, deduct, to the extent not deducted in determining adjusted gross income, interest earned in the tax year on the contributions to the taxpayer's education savings accounts if the contributions were deductible under section 30(1)(w)(j).

(b) For tax years that begin after December 31, 1999, deduct, to the extent included in adjusted gross income, distributions that are qualified withdrawals from an education savings account to the designated beneficiary of that education savings account. As used in this subdivision, "qualified withdrawal" means that term as defined in the Michigan education savings program act.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 599 of the 90th Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved June 16, 2000.

Filed with Secretary of State June 16, 2000.

Compiler's note: Senate Bill No. 599, referred to in enacting section 1, was filed with the Secretary of State June 16, 2000, and became P.A. 2000, No. 161, Imd. Eff. June 16, 2000.
