

# SENATE BILL No. 296

May 20, 1987, Introduced by Senator VAUGHN and referred to the  
Committee on Finance.

A bill to amend section 510 of Act No. 281 of the Public  
Acts of 1967, entitled  
"Income tax act of 1967,"  
being section 206.510 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 510 of Act No. 281 of the Public Acts of  
2 1967, being section 206.510 of the Michigan Compiled Laws, is  
3 amended to read as follows:

4       Sec. 510. (1) "Income" means the sum of federal adjusted  
5 gross income as defined in the internal revenue code plus all  
6 income specifically excluded or exempt from the computations of  
7 the federal adjusted gross income. The term does not include the  
8 first \$300.00 of gifts in cash or kind from nongovernmental  
9 sources or the first \$300.00 received from awards, prizes,  
10 lottery, bingo, or other gambling winnings. Income does not

1 include surplus foods, relief in kind supplied by a governmental  
2 agency, payments or credits under this act, ~~any~~ A governmental  
3 grant ~~which~~ THAT has to be used by the claimant for rehabilita-  
4 tion of the homestead, PAYMENTS MADE TO A PERSON 60 YEARS OF AGE  
5 OR OVER WHO IS ACTING AS A FOSTER GRANDPARENT UNDER THE FOSTER  
6 GRANDPARENT PROGRAM AUTHORIZED PURSUANT TO SECTION 211 OF PART B  
7 OF TITLE 2 OF THE DOMESTIC VOLUNTEER SERVICES ACT OF 1973, 42  
8 U.S.C. 5011, amounts deducted from monthly social security or  
9 railroad retirement benefits for medicare premiums, or contribu-  
10 tions by an employer to life, accident, or health insurance  
11 plans. Income does not include energy assistance grants and  
12 energy assistance tax credits. Beginning with the 1977 tax year  
13 and ~~thereafter~~ AFTER THE 1977 TAX YEAR, a person who is  
14 enrolled in an accident or health insurance plan may deduct from  
15 income the amount the person has paid in premiums in the tax year  
16 for that insurance plan for the person's family.

17 (2) "Owner" means a natural person who owns or is purchasing  
18 a homestead under a mortgage or land contract, ~~or~~ who owns or  
19 is purchasing a dwelling situated on the leased lands of another,  
20 or WHO is a tenant-stockholder of a cooperative housing  
21 corporation.