

SENATE BILL No. 798

April 13, 1988, Introduced by Senator DI NELLO and referred to the Committee on Finance.

A bill to amend Act No. 281 of the Public Acts of 1967, entitled "Income tax act of 1967," as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, by adding section 259.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 281 of the Public Acts of 1967, as
2 amended, being sections 206.1 to 206.532 of the Michigan Compiled
3 Laws, is amended by adding section 259 to read as follows:

4 SEC. 259. (1) A TAXPAYER MAY CLAIM A CREDIT AGAINST THE TAX
5 IMPOSED BY THIS ACT IN AN AMOUNT EQUAL TO EXPENSES INCURRED BY
6 THE TAXPAYER DURING THE TAX YEAR FOR PROTECTION OF THE TAXPAYER'S
7 RESIDENTIAL REAL PROPERTY LOCATED IN THIS STATE FROM FLOOD
8 DAMAGE. THESE EXPENSES INCLUDE, BUT ARE NOT LIMITED TO, THE COST
9 OF FLOOD INSURANCE AND TEMPORARY OR PERMANENT FLOOD BARRIERS.

1 (2) A TAXPAYER SHALL NOT CLAIM AN AMOUNT AS A CREDIT UNDER
2 THIS SECTION THAT THE TAXPAYER OTHERWISE CLAIMS AS A CREDIT OR
3 DEDUCTION UNDER THIS ACT OR THAT IS DEDUCTED FROM GROSS INCOME IN
4 THE CALCULATION OF THE TAXPAYER'S ADJUSTED GROSS INCOME FOR FED-
5 ERAL INCOME TAX PURPOSES.

6 (3) THE CREDIT ALLOWED BY THIS SECTION SHALL NOT EXCEED THE
7 TAXPAYER'S TAX LIABILITY FOR THE TAXABLE YEAR.