

HOUSE BILL No. 6105

May 4, 2010, Introduced by Reps. Calley, Amash, McMillin, Genetski, Agema, DeShazor, Paul Scott, Green, Meekhof, Meltzer, Walsh, Daley, Bolger, Booher, Crawford, Lund, Rogers and Kowall and referred to the Committee on Tax Policy.

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 235 (MCL 208.1235), as amended by 2008 PA 30.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 235. (1) Except as otherwise provided under subsection
2 (4), each insurance company shall pay a tax determined under this
3 chapter.

4 (2) ~~The~~**FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2007 AND**
5 **BEFORE JANUARY 1, 2011, THE** tax imposed by this chapter on each
6 insurance company shall be a tax equal to 1.25% of gross direct
7 premiums written on property or risk located or residing in this
8 state. **FOR TAX YEARS THAT BEGIN AFTER DECEMBER 31, 2010, THE TAX**
9 **IMPOSED BY THIS CHAPTER ON EACH INSURANCE COMPANY SHALL BE A TAX**

1 **EQUAL TO 1.10% OF GROSS DIRECT PREMIUMS WRITTEN ON PROPERTY OR RISK**
2 **LOCATED OR RESIDING IN THIS STATE.** Direct premiums do not include
3 any of the following:

4 (a) Premiums on policies not taken.

5 (b) Returned premiums on canceled policies.

6 (c) Receipts from the sale of annuities.

7 (d) Receipts on reinsurance premiums if the tax has been paid
8 on the original premiums.

9 (e) The first \$190,000,000.00 of disability insurance premiums
10 written in this state, other than credit insurance and disability
11 income insurance premiums, of each insurance company subject to tax
12 under this chapter. This exemption shall be reduced by \$2.00 for
13 each \$1.00 by which the insurance company's gross direct premiums
14 from insurance carrier services in this state and outside this
15 state exceed \$280,000,000.00.

16 (3) The tax calculated under this chapter is in lieu of all
17 other privilege or franchise fees or taxes imposed by this act or
18 any other law of this state, except taxes on real and personal
19 property, taxes collected under the general sales tax act, 1933 PA
20 167, MCL 205.1 to 205.78, and taxes collected under the use tax
21 act, 1937 PA 94, MCL 205.91 to 205.111, and except as otherwise
22 provided in the insurance code of 1956, 1956 PA 218, MCL 500.100 to
23 500.8302.

24 (4) The tax imposed and levied under this act does not apply
25 to an insurance company authorized under chapter 46 or 47 of the
26 insurance code of 1956, 1956 PA 218, MCL 500.4601 to 500.4673, and
27 MCL 500.4701 to 500.4747.

1 Enacting section 1. This amendatory act does not take effect
2 unless all of the following bills of the 95th Legislature are
3 enacted into law:

4 (a) House Bill No. 5249.

5 (b) Senate Bill No. _____ or House Bill No. 6104 (request no.
6 04275'09).

7 (c) Senate Bill No. _____ or House Bill No. 6103 (request no.
8 05669'09).

9 (d) Senate Bill No. _____ or House Bill No. 6106 (request no.
10 05671'09).

11 (e) Senate Bill No. _____ or House Bill No. 6107 (request no.
12 05672'09).

13 (f) Senate Bill No. _____ or House Bill No. 6112 (request no.
14 05673'09).

15 (g) Senate Bill No. _____ or House Bill No. 6113 (request no.
16 05675'09*).

17 (h) Senate Bill No. _____ or House Bill No. 6109 (request no.
18 05676'09).

19 (i) Senate Bill No. _____ or House Bill No. 6110 (request no.
20 05677'09).

21 (j) Senate Bill No. _____ or House Bill No. 6116 (request no.
22 05678'09).

23 (k) Senate Bill No. _____ or House Bill No. 6114 (request no.
24 05679'09).

25 (l) Senate Bill No. _____ or House Bill No. 6117 (request no.
26 05680'09).

27 (m) Senate Bill No. _____ or House Bill No. 6108 (request no.

1 05681'09).

2 (n) Senate Bill No.____ or House Bill No. 6119(request no.
3 05930'10).

4 (o) Senate Bill No.____ or House Bill No. 6111(request no.
5 05931'10).

6 (p) Senate Bill No.____ or House Bill No. 6115(request no.
7 05932'10).

8 (q) Senate Bill No.____ or House Bill No. 6118(request no.
9 05933'10).