

**SUBSTITUTE FOR  
HOUSE BILL NO. 4191**

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
by amending section 680 (MCL 206.680), as amended by 2012 PA 70.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 680. (1) Notwithstanding any other provision of this  
2 part, except as otherwise provided in subsection (2) for a  
3 certificated credit under section 435 or 437 of the Michigan  
4 business tax act, 2007 PA 36, MCL 208.1435 and 208.1437, **or in**  
5 **subsection (5) for a certificated credit under section 431 of the**  
6 **Michigan business tax act, 2007 PA 36, MCL 208.1431,** a taxpayer  
7 that has been approved to receive, has received, or has been  
8 assigned a certificated credit that has not been fully claimed or  
9 paid prior to January 1, 2012 may, for the taxpayer's first tax



1 year ending after December 31, 2011 only, elect to file a return  
2 and pay the tax imposed by the Michigan business tax act, 2007 PA  
3 36, MCL 208.1101 to 208.1601, in lieu of the tax imposed by this  
4 part. An election under this subsection shall continue for the  
5 period prescribed in section 500(1) of the Michigan business tax  
6 act, 2007 PA 36, MCL 208.1500.

7 (2) A taxpayer with a certificated credit under section 435 or  
8 437 of the Michigan business tax act, 2007 PA 36, MCL 208.1435 and  
9 208.1437, which certificated credit may be claimed in a tax year  
10 ending after December 31, 2011 may elect to pay the tax imposed by  
11 the Michigan business tax act, 2007 PA 36, MCL 208.1101 to  
12 208.1601, in the tax year in which that certificated credit or any  
13 unused carryforward may be claimed in lieu of the tax imposed by  
14 this part.

15 (3) A taxpayer that is a member of a unitary business group  
16 and that has a certificated credit under sections 431 and 434(2)  
17 and (5) of the Michigan business tax act, 2007 PA 36, MCL 208.1431  
18 and 208.1434, is not required to file a combined return as a  
19 unitary business group and may elect to file a separate return and  
20 pay the tax, if any, under the Michigan business tax act, 2007 PA  
21 36, MCL 208.1101 to 208.1601.

22 (4) A taxpayer that elects to pay the tax imposed by the  
23 Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601,  
24 under this section is not required to file an annual return under  
25 this part.

26 **(5) A taxpayer that acquired, through merger or acquisition,**  
27 **on October 1, 2018 a certificated credit authorized by the Michigan**  
28 **economic growth authority in 2004 under section 431 of the Michigan**  
29 **business tax act, 2007 PA 36, MCL 208.1431, and previously received**



1 by another person whose existence was terminated by that merger or  
2 acquisition, but that certificated credit had not been fully  
3 claimed prior to October 1, 2018 by the person whose existence was  
4 terminated by that merger or acquisition, then that acquiring  
5 taxpayer may, for the first tax year ending after October 1, 2018  
6 only, elect to file the return and pay the tax imposed by the  
7 Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, in  
8 lieu of the tax imposed by this part if the Michigan economic  
9 growth authority or its successor determines that the transfer of  
10 the credit from the person whose existence was terminated by that  
11 merger or acquisition reduces the total amount of the credit.  
12 However, if the first tax year ending after October 1, 2018 ends  
13 before the effective date of the amendatory act that added this  
14 subsection and the taxpayer has already filed a return for that tax  
15 year under this part, then the taxpayer may, if within the statute  
16 of limitations period prescribed under section 27a of 1941 PA 122,  
17 MCL 205.27a, elect under this subsection to file the return and pay  
18 the tax imposed by the Michigan business tax act, 2007 PA 36, MCL  
19 208.1101 to 208.1601, for that tax year by filing the necessary  
20 amended return under this part and filing an original return as  
21 provided under section 505 of the Michigan business tax act, 2007  
22 PA 36, MCL 208.1505. An election under this subsection shall  
23 continue for the period prescribed in section 500 of the Michigan  
24 business tax act, 2007 PA 36, MCL 208.1500.

25 (6) ~~(5)~~—As used in this section, "certificated credit" means  
26 that term as defined in section 107 of the Michigan business tax  
27 act, 2007 PA 36, MCL 208.1107.

28 Enacting section 1. This amendatory act is retroactive and  
29 effective for tax years beginning after December 31, 2017.



1           Enacting section 2. This amendatory act does not take effect  
2 unless all of the following bills of the 100th Legislature are  
3 enacted into law:

4           (a) House Bill No. 4189.

5           (b) House Bill No. 4190.

