

# SENATE BILL No. 654

September 15, 2011, Introduced by Senator BRANDENBURG and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
by amending section 685 (MCL 206.685), as added by 2011 PA 38.

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

1           Sec. 685. (1) An annual or final return shall be filed with  
2 the department in the form and content prescribed by the department  
3 by the last day of the fourth month after the end of the taxpayer's  
4 tax year. Any final liability shall be remitted ~~with this return.~~  
5 **BY THE ANNUAL DUE DATE OF THE TAXPAYER'S ANNUAL OR FINAL RETURN,**  
6 **EXCLUDING ANY EXTENSION OF TIME TO FILE THE RETURN AS PROVIDED**  
7 **UNDER SUBSECTIONS (2) AND (3).** A taxpayer, other than a taxpayer  
8 subject to the tax imposed under chapter 12 or 13, whose  
9 apportioned or allocated gross receipts are less than \$350,000.00  
10 does not need to file a return or pay the tax imposed under this

1 part. THE APPORTIONED OR ALLOCATED GROSS RECEIPTS OF A FLOW-THROUGH  
2 ENTITY SHALL BE IMPUTED TO EACH OF ITS MEMBERS BASED UPON THE SAME  
3 PERCENTAGE THAT EACH MEMBER'S PROPORTIONATE SHARE OF DISTRIBUTIVE  
4 INCOME IS TO THE TOTAL DISTRIBUTIVE INCOME OF THE FLOW-THROUGH  
5 ENTITY. A taxpayer whose tax liability under this part is less than  
6 or equal to \$100.00 does not need to file a return or pay the tax  
7 imposed under this part.

8 (2) IF A TAXPAYER HAS APPORTIONED OR ALLOCATED GROSS RECEIPTS  
9 FOR A TAX YEAR OF LESS THAN 12 MONTHS, THE THRESHOLD AMOUNT OF  
10 \$350,000.00 IN SUBSECTION (1) SHALL BE MULTIPLIED BY A FRACTION,  
11 THE NUMERATOR OF WHICH IS THE NUMBER OF MONTHS IN THE TAX YEAR AND  
12 THE DENOMINATOR OF WHICH IS 12.

13 (3) ~~(2)~~—The department, upon application of the taxpayer and  
14 for good cause shown, may extend the date for filing the annual  
15 return. Interest at the rate under section 23(2) of 1941 PA 122,  
16 MCL 205.23, shall be added to the amount of the tax unpaid for the  
17 period of the extension. The **STATE** treasurer shall require with the  
18 application payment of the estimated tax liability unpaid for the  
19 tax period covered by the extension.

20 (4) ~~(3)~~—If a taxpayer is granted an extension of time within  
21 which to file the federal income tax return for any tax year, the  
22 filing of a copy of the request for extension together with a  
23 tentative return and payment of an estimated tax with the  
24 department by the due date provided in subsection (1) shall  
25 automatically extend the due date for the filing of an annual or  
26 final return under this part until the last day of the eighth month  
27 following the original due date of the return. Interest at the rate

1 under section 23(2) of 1941 PA 122, MCL 205.23, shall be added to  
2 the amount of the tax unpaid for the period of the extension.

3 Enacting section 1. This amendatory act takes effect January  
4 1, 2012.