

# SENATE BILL No. 671

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

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
by amending section 667 (MCL 206.667), as added by 2011 PA 38.

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

1           Sec. 667. (1) If the apportionment provisions of this part do  
2 not fairly represent the extent of the taxpayer's business activity  
3 in this state, the taxpayer may petition for or the **STATE** treasurer  
4 may require the following, with respect to all or a portion of the  
5 taxpayer's business activity, if reasonable:

6           (a) Separate accounting.

7           (b) The inclusion of 1 or more additional or alternative  
8 factors that will fairly represent the taxpayer's business activity  
9 in this state.

10          (c) The use of any other method to effectuate an equitable

1 allocation and apportionment of the taxpayer's tax base.

2 (2) An alternate method may be used only if it is approved by  
3 the department.

4 (3) The apportionment provisions of this part shall be  
5 rebuttably presumed to fairly represent the business activity  
6 attributed to the taxpayer in this state, taken as a whole and  
7 without a separate examination of the specific elements of the tax  
8 base unless it can be demonstrated that the business activity  
9 attributed to the taxpayer in this state is out of all appropriate  
10 proportion to the actual business activity transacted in this state  
11 and leads to a grossly distorted result or would operate  
12 unconstitutionally to tax the extraterritorial activity of the  
13 taxpayer.

14 (4) The filing of a return or an amended return is not  
15 considered a petition for the purposes of subsection (1).

16 Enacting section 1. This amendatory act takes effect January  
17 1, 2012.