

HOUSE BILL No. 5332

January 31, 2012, Introduced by Rep. Haveman and referred to the Committee on Commerce.

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending sections 680 and 691 (MCL 206.680 and 206.691), as
added by 2011 PA 38.

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, a taxpayer
5 that has been approved to receive, has received, or has been
6 assigned a certificated credit that has not been fully claimed or
7 paid prior to January 1, 2012 may, for the taxpayer's first tax
8 year ending after December 31, 2011 only, elect to file a return
9 and pay the tax imposed by the Michigan business tax act, 2007 PA

1 36, MCL 208.1101 to 208.1601, in lieu of the tax imposed by this
2 part. An election under this subsection shall continue for the
3 period prescribed in section 500(1) of the Michigan business tax
4 act, 2007 PA 36, MCL 208.1500.

5 (2) A taxpayer with a certificated credit under section 435 or
6 437 of the Michigan business tax act, 2007 PA 36, MCL 208.1435 and
7 208.1437, which certificated credit may be claimed in a tax year
8 ending after December 31, 2011 may elect to pay the tax imposed by
9 the Michigan business tax act, 2007 PA 36, MCL 208.1101 to
10 208.1601, in the tax year in which that certificated credit or any
11 unused carryforward may be claimed in lieu of the tax imposed by
12 this part.

13 (3) A TAXPAYER THAT IS A MEMBER OF A UNITARY BUSINESS GROUP
14 AND THAT HAS A CERTIFICATED CREDIT UNDER SECTIONS 431 AND 434(2)
15 AND (5) OF THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36, MCL 208.1431
16 AND 208.1434, IS NOT REQUIRED TO FILE A COMBINED RETURN AS A
17 UNITARY BUSINESS GROUP AND MAY ELECT TO FILE A SEPARATE RETURN AND
18 PAY THE TAX, IF ANY, UNDER THE MICHIGAN BUSINESS TAX ACT, 2007 PA
19 36, MCL 208.1101 TO 208.1601.

20 (4) ~~(3)~~—A taxpayer that elects to pay the tax imposed by the
21 Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601,
22 under this section is not required to file an annual return under
23 this part.

24 (5) ~~(4)~~—As used in this section, "certificated credit" means
25 that term as defined in section 107 of the Michigan business tax
26 act, 2007 PA 36, MCL 208.1107.

27 Sec. 691. A—EXCEPT AS OTHERWISE PROVIDED UNDER SECTION 680(3),

1 A unitary business group shall file a combined return that includes
2 each United States person that is included in the unitary business
3 group. Each United States person included in a unitary business
4 group or included in a combined return shall be treated as a single
5 person, and all transactions between those persons included in the
6 unitary business group shall be eliminated from the corporate
7 income tax base and the apportionment formulas under this part. If
8 a United States person included in a unitary business group or
9 included in a combined return is subject to the tax under chapter
10 12 or 13, any corporate income attributable to that person shall be
11 eliminated from the corporate income tax base and any sales
12 attributable to that person shall be eliminated from the
13 apportionment formula under this part.