

Act No. 194
Public Acts of 2011
Approved by the Governor
October 17, 2011
Filed with the Secretary of State
October 18, 2011
EFFECTIVE DATE: January 1, 2012

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2011**

Introduced by Senator Proos

ENROLLED SENATE BILL No. 680

AN ACT to amend 1967 PA 281, entitled “An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts,” by amending section 701 (MCL 206.701), as added by 2011 PA 38.

The People of the State of Michigan enact:

Sec. 701. As used in this part:

- (a) “Casino” means that term as defined in section 110.
- (b) “Casino licensee” means a person licensed to operate a casino under the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.
- (c) “Eligible production company” means that term as defined under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.
- (d) “Flow-through entity” means an entity that for the applicable tax year is treated as an S corporation under section 1362(a) of the internal revenue code, a general partnership, a limited partnership, a limited liability partnership, or a limited liability company, that for the applicable tax year is not taxed as a corporation for federal income tax purposes.
- (e) “Member” means a shareholder of an S corporation, a partner in a general partnership, a limited partnership, or a limited liability partnership, a member of a limited liability company, or a beneficiary of a trust, that is a flow-through entity.
- (f) “Nonresident” means an individual who is not a resident of or domiciled in this state, a business entity that does not have its commercial domicile in this state, or a trust not organized in this state.
- (g) “Partnership” means a taxpayer that is required to or has elected to file as a partnership for federal income tax purposes.
- (h) “Publicly traded partnership” means that term as defined under section 7704 of the internal revenue code.
- (i) “Race meeting licensee” and “track licensee” mean a person to whom a race meeting license or track license is issued pursuant to section 8 of the horse racing law of 1995, 1995 PA 279, MCL 431.308.
- (j) “S corporation” means a corporation electing taxation under subchapter S of chapter 1 of subtitle A of the internal revenue code, sections 1361 to 1379 of the internal revenue code.

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

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

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Governor