



**House  
Legislative  
Analysis  
Section**

Washington Square Building, Suite 1025  
Lansing, Michigan 48909  
Phone 517/373-6466

**TAX ENFORCEMENT: TECHNICAL AMENDMENTS**

House Bills 4335 and 4336 with committee  
amendments

First Analysis (4-9-87)

**RECEIVED**

Sponsor: Rep. Bill Browne  
Committee: Taxation

**MAY 07 1987**

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***THE APPARENT PROBLEM:***

One aim of House Bill 4706 of the 1985-1986 legislative session (best known for creating a temporary tax amnesty program) was to place tax collection enforcement and penalty provisions in one act, the revenue act, rather than having them scattered throughout the various individual tax acts. To accomplish this purpose, however, technical amendments still need to be made to the sales and use tax acts to bring them into conformity with the revenue act.

***THE CONTENT OF THE BILL:***

The bills would delete sections of both the sales and use tax acts and instead add references to similar provisions found in the revenue act. (The provisions deal with the statute of limitations for assessing penalties and claiming refunds.) House Bill 4335 would amend the General Sales Tax Act (MCL 205.59). House Bill 4336 would amend the Use Tax Act (MCL 205.100). Both bills would take effect 90 days after being enacted into law.

***FISCAL IMPLICATIONS:***

Fiscal information is not available.

***ARGUMENTS:***

***For:***

The bills make technical changes to two tax acts so that they would be administered pursuant to the revenue act, which was amended in the last session with the intention of creating a uniform set of enforcement penalty provisions to apply to individual tax acts. Each bill contains a delayed effective date to prevent anyone from being harmed by a small change in the statute of limitations for claiming tax refunds (four years from the filing date rather than four years from the date of payment).

***POSITIONS:***

A representative of the Department of Treasury told the Taxation committee that the department requested the changes made by the bills (4-8-87).

H.B. 4335 et al (4-9-87)