



HOUSE BILL No. 4973

July 23, 1993, Introduced by Reps. Kukuk, Willard, Bullard, Jamian, Hammerstrom, Hill, Vorva, Rhead, Whyman, Voorhees, Crissman, Kaza and Jersevic and referred to the Committee on Taxation.

A bill to amend section 3 of Act No. 122 of the Public Acts of 1941, entitled as amended

"An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act,"

as amended by Act No. 58 of the Public Acts of 1986, being section 205.3 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 3 of Act No. 122 of the Public Acts of
2 1941, as amended by Act No. 58 of the Public Acts of 1986, being

1 section 205.3 of the Michigan Compiled Laws, is amended to read
2 as follows:

3 Sec. 3. The commissioner shall have all the powers and per-
4 form the duties formerly vested in ~~any~~ A department, board,
5 commission, or other agency, in connection with taxes due to or
6 claimed by the state and in connection with unpaid accounts or
7 amounts due to the state or any of its departments, institutions,
8 or agencies which may be made payable to or collectible by the
9 department created by this act. ~~, and~~ IN ADDITION, THE COMMIS-
10 SIONER SHALL HAVE the power and authority incidental to the per-
11 formance of ALL the following acts, duties, and services:

12 (a) The commissioner or ~~any of the~~ A duly appointed
13 ~~agents~~ AGENT of the commissioner may examine the books,
14 records, and papers touching the matter at issue of any person or
15 taxpayer subject to any tax, unpaid account, or amount the col-
16 lection of which is charged to the department. The commissioner
17 or ~~any of the~~ A duly appointed ~~agents~~ AGENT of the commis-
18 sioner may issue a subpoena requiring a person to appear and be
19 examined with reference to a matter within the scope of the
20 inquiry or investigation being conducted by the department and to
21 produce any books, records, or papers. The commissioner or ~~any~~
22 ~~of the~~ A duly appointed ~~agents~~ AGENT, ~~referees~~ REFEREE, or
23 ~~examiners~~ EXAMINER of the commissioner, may administer an oath
24 to a witness in any matter before the department. The department
25 may invoke the aid of the circuit court of this state in requir-
26 ing the attendance and testimony of witnesses and the producing
27 of books, papers, and documents. The circuit court of the state

1 within the jurisdiction of which an inquiry is carried on, in
2 case of contumacy or refusal to obey a subpoena, may issue an
3 order requiring the person to appear before the department and
4 produce books, ~~and~~ papers, AND DOCUMENTS if so ordered and any
5 evidence touching the matter in question, and failure to obey the
6 order of the court may be punished by the court as a contempt. A
7 person shall not be excused from testifying or from producing any
8 books, papers, records, or memoranda in any investigation, or
9 upon any hearing when ordered to do so by the commissioner, upon
10 the ground that the testimony or evidence, documentary or other-
11 wise, may tend to incriminate or subject him or her to a criminal
12 penalty, however, a person shall not be prosecuted or subjected
13 to any criminal penalty for or on account of any transaction made
14 or thing concerning which he or she may testify or produce evi-
15 dence, documentary or otherwise, before the ~~board~~ COMMISSIONER
16 or ~~its~~ HIS OR HER agent. A person so testifying shall not be
17 exempt from prosecution and punishment for perjury committed
18 while testifying.

19 (b) After reasonable notice and public hearing to promulgate
20 rules consistent with this act in accordance with THE ADMINISTRA-
21 TIVE PROCEDURES ACT OF 1969, Act No. 306 of the Public Acts of
22 1969, as amended, being sections 24.201 to 24.328 of the Michigan
23 Compiled Laws, as may be necessary to the enforcement of the pro-
24 visions of tax and other revenue measures ~~which~~ THAT are admin-
25 istered by the commissioner.

26 (c) Consult with the governor and the legislature ~~upon~~ ON
27 the subject of taxation, revenue, and the administration of the

1 laws in relation to taxation and revenue, and the progress of the
2 work of the department, including the furnishing of reports,
3 information, and other assistance as the governor may require.

4 (d) Investigate and study all matters of taxation and reve-
5 nue as the basis of recommending to the governor and the legisla-
6 ture those changes and alterations in the tax laws of ~~the~~ THIS
7 state as in the commissioner's judgment may bring about a more
8 adequate and just system of state and local taxation.

9 (e) Formulate a standard procedure ~~whereby~~ WHERE the
10 departments, commissions, boards, institutions, and the agencies
11 of ~~the~~ THIS state ~~which~~ THAT collect taxes, fees, or accounts
12 for ~~the~~ THIS state shall report all sums of money due and
13 uncollected and those uncollected items as may be prescribed by
14 law and by the commissioner. The procedure prescribed in this
15 subdivision shall include a standard practice for receiving,
16 receipting, safeguarding, and periodically reporting all state
17 revenue receipts, whether current, delinquent, penalty, interest,
18 or otherwise, and the amounts, kinds, and terms of items either
19 collected, compromised, or still outstanding, to be summarized,
20 studied, and reported upon as the commissioner considers
21 advisable.

22 (f) The ~~department~~ COMMISSIONER may periodically issue
23 bulletins that index and explain current department interpreta-
24 tions of current state tax laws. A BULLETIN OR LETTER RULING
25 ISSUED BY THE COMMISSIONER UNDER THIS ACT REGARDING THE PAYMENT
26 OF A TAX SHALL APPLY PROSPECTIVELY AND SHALL NOT APPLY
27 RETROACTIVELY. The department may charge a reasonable fee for

1 subscriptions to this service not to exceed the cost of
2 printing. The money received from the sale of such subscription
3 shall revert to the department and be placed in the taxation
4 manual revolving fund.