



# HOUSE BILL No. 5919

November 10 1994 Introduced by Rep Nye and referred to the Committee on Taxation

A bill to amend section 301 of Act No 281 of the Public Acts of 1967, entitled  
"Income tax act of 1967,  
as amended by Act No 70 of the Public Acts of 1988, being section 206 301 of the Michigan Compiled Laws

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 301 of Act No 281 of the Public Acts of  
2 1967 as amended by Act No 70 of the Public Acts of 1988, being  
3 section 206 301 of the Michigan Compiled Laws is amended to read  
4 as follows

5 Sec 301 (1) Every person on a calendar year basis if the  
6 person s annual tax can reasonably be expected to exceed ~~the~~  
7 ~~amount withheld under section 351 and the credits allowed under~~  
8 ~~this act by more than~~ \$500 00, shall pay to the department  
9 installments of estimated tax under this act on or before

1 April 15 June 15 and September 15 of the person's tax year and  
2 January 15 in the following year Subject to subsection (3)  
3 each installment shall be equal to  $1/4$  the taxpayer's estimated  
4 tax under this act after first deducting the amount estimated to  
5 be withheld under section 351

6 (2) For a taxpayer on other than a calendar year basis,  
7 there shall be substituted for the due dates provided in subsec-  
8 tion (1) the appropriate due dates ~~that~~ in the taxpayer's  
9 fiscal year THAT correspond to the calendar year

10 (3) For a taxpayer ~~paying~~ THAT PAYS estimated tax for the  
11 taxpayer's first tax year of less than 12 months, the amount paid  
12 shall be that fraction of the estimated tax that is obtained by  
13 dividing the total amount of estimated tax by the number of pay-  
14 ments to be made with respect to the tax year

15 (4) ~~There shall be allowed as a~~ A credit against the tax  
16 imposed by this act IS ALLOWED FOR the amounts paid the depart-  
17 ment ~~pursuant to~~ UNDER this section

18 (5) Instead of the quarterly payments a person subject to  
19 this section may pay an estimated annual tax for the IMMEDIATELY  
20 succeeding tax year The payment shall be made at the same time  
21 the person files the annual return for the ~~previous~~ IMMEDIATELY  
22 PRECEDING full tax year

23 (6) A farmer or fisherman who elects to file and pay his or  
24 her federal income tax under an alternative schedule provided in  
25 section 6654 of the internal revenue code may file and pay the  
26 tax imposed by this act in the same manner A seafarer may file  
27 and pay the tax imposed by this act in the same manner as a

1 farmer or fisherman under this subsection As used in this  
2 subsection seafarer means an individual whose wages may not be  
3 withheld for taxes by the state or a political subdivision of the  
4 state as provided in section 11108 of ~~shipping~~ TITLE 46 OF THE  
5 UNITED STATES CODE, 46 U S C 11108

6 (7) A payment of estimated tax shall be computed on the  
7 basis of the annualized rate established pursuant to section  
8 ~~51(9)~~ 51 for the appropriate tax year to which the estimated  
9 tax payment is applicable

10 (8) Except as provided in subsection (1), the amount of an  
11 estimated tax installment shall be computed, payment of estimated  
12 tax shall be credited, and a period of underpayment shall be  
13 determined in the same manner as provided in the internal revenue  
14 code