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SALES/USE TAX: LLC'S

House Bills 6018 and 6019
Sponsor: Rep. Kirk A. Profit
Committee: Tax Policy

Complete to 11-4-98

A SUMMARY OF HOUSE BILLS 6018 AND 6019 AS INTRODUCED 9-15-98

House Bill 6018 would amend the Use Tax Act (MCL 205.95) and House Bill 6019 would amend the General Sales Tax Act (MCL 205.65) so that certain provisions currently applying to corporations and similar entities would also apply to limited liability companies.

The use tax provisions are those requiring the registration of companies with the Department of Treasury and the payment of outstanding taxes before dissolution of a company. The sales tax provisions relate to the dissolution of companies and the personal liability of officers for a company's failure to pay taxes.

(Other bills this session that have addressed the subject of limited liability companies include House Bill 5106, which would put such companies under the definition of "person" in the General Sales Tax Act; House Bill 5892, which would amend the Single Business Tax Act to address how limited liability companies are treated under the SBT; and House Bill 5909, which would amend the revenue act regarding the personal liability for taxes of a limited liability company's officers. Those three bills have passed the House.)

House Bills 6018 and 6019 (11-4-98)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.