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ESTIMATED TAX PAYMENTS: INCREASE THRESHOLD

House Bill 5453
Sponsor: Rep. Steve Vear
Committee: Tax Policy

Complete to 12-10-01

A SUMMARY OF HOUSE BILL 5453 AS INTRODUCED 11-1-01

The Income Tax Act requires a taxpayer whose annual tax can reasonably be expected to exceed the amount withheld and any credits allowed by more than \$500 to make quarterly installment payments of estimated taxes. The bill would make this provision apply for tax years before January 1, 2002. For tax years beginning after December 31, 2001, the threshold for having to make installment payments would be the same as found in Section 6654 (d) of the federal Internal Revenue Code. (This is at present, generally speaking, \$1,000 or more in excess of amounts withheld and credits allowed.)

MCL 206.301

House Bill 5453 (12-10-01)

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.