

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4557

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 4 (MCL 206.4).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) "Board" means the state board of tax appeals.

2 (2) "Business income" means **all** income arising from
3 transactions, activities, and sources in the regular course of
4 the taxpayer's trade or business and includes **the following:**

5 **(a)** All income from tangible and intangible property if the
6 acquisition, rental, management, ~~and~~ **or** disposition of the
7 property constitutes integral parts of the taxpayer's regular
8 trade or business operations.

9 **(b)** Gains or losses from stock and securities of any foreign
10 or domestic corporation and dividend and interest income.

11 **(c)** Income derived from isolated sales, leases, assignment,

1 licenses, divisions, or other infrequently occurring
2 dispositions, transfers, or transactions involving property if
3 the property is or was used in the taxpayer's trade or business
4 operation.

5 (d) Income derived from the sale of a business.

6 (3) Not later than 2 years after the effective date of the
7 amendatory act that added subsection (2)(b), the department shall
8 report the impact of the amendatory act that added subsection
9 (2)(b) on the tax liability under this act of resident and
10 nonresident taxpayers to the house tax policy committee and the
11 senate finance committee.