

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.