

# HOUSE BILL No. 4557

April 10, 2003, Introduced by Rep. Farrah and referred to the Committee on Tax Policy.

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, **but is not limited**  
5 **to all of the following:**

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

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

1       (c) Income derived from isolated sales, leases, assignment,  
2 licenses, divisions, or other infrequently occurring  
3 dispositions, transfers, or transactions involving property if  
4 the property is or was used in the taxpayer's trade or business  
5 operation.

6       (d) Income derived from the sale, liquidation, or winding up  
7 of a business.

8       Enacting section 1. This amendatory act is curative and  
9 intended to clarify the original intent of the legislature with  
10 respect to, and prevent any misinterpretation of, the term  
11 regular as used in the definition of business income.