

# HOUSE BILL No. 6308

November 4, 2004, Introduced by Rep. Pastor and referred to the Committee on Tax Policy.

A bill to amend 1941 PA 122, entitled

"An act to establish the revenue collection duties of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to regulate the importation, stamping, and disposition of certain tobacco products; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act,"

by amending section 30 (MCL 205.30), as amended by 1993 PA 14.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1       Sec. 30. (1) The department shall credit or refund an  
2 overpayment of taxes; taxes, penalties, and interest erroneously  
3 assessed and collected; and taxes, penalties, and interest that

1 are found unjustly assessed, excessive in amount, or wrongfully  
2 collected with interest at the rate calculated under section 23  
3 for deficiencies in tax payments.

4 (2) A taxpayer who paid a tax that the taxpayer claims is not  
5 due may petition the department for refund of the amount paid  
6 within the time period specified as the statute of limitations in  
7 section 27a. If a tax return reflects an overpayment or credits  
8 in excess of the tax, the declaration of that fact on the return  
9 constitutes a claim for refund. If the department agrees the  
10 claim is valid, the amount of overpayment, penalties, and  
11 interest shall be first applied to any known liability as  
12 provided in section 30a, and the excess, if any, shall be  
13 refunded to the taxpayer or credited, at the taxpayer's request,  
14 against any current or subsequent tax liability.

15 (3) The department shall certify a refund to the state  
16 disbursing authority who shall pay the amount out of the proceeds  
17 of the tax in accordance with the accounting laws of the state.  
18 Interest at the rate calculated under section 23 for deficiencies  
19 in tax payments shall be added to the refund commencing 45 days  
20 after the claim is filed. ~~or 45 days after the date established~~  
21 ~~by law for the filing of the return, whichever is later.~~  
22 Interest on refunds intercepted and applied as provided in  
23 section 30a shall cease as of the date of interception. Refunds  
24 for amounts of less than \$1.00 shall not be paid.