

# SENATE BILL No. 877

November 1, 2007, Introduced by Senator JACOBS and referred to the Committee on Finance.

A bill to amend 2007 PA 36, entitled  
 "Michigan business tax act,"  
 by amending section 263 (MCL 208.1263).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 263. (1) Every financial institution with nexus in this  
 2 state as determined under section 200 is subject to a franchise tax  
 3 **LEVIED AND IMPOSED UNDER THIS ACT.** The franchise tax is imposed  
 4 upon the tax base of the financial institution as determined under  
 5 section 265 after allocation or apportionment to this state, at the  
 6 rate of 0.235%.

7           (2) The tax under this chapter is in lieu of ~~the~~ **A** tax levied  
 8 and imposed under chapter 2 of this act.

9           Enacting section 1. This amendatory act takes effect January  
 10 1, 2008 and applies to all business activity occurring after

1 December 31, 2007.

2 Enacting section 2. This amendatory act does not take effect  
3 unless all of the following bills of the 94th Legislature are  
4 enacted into law:

5 (a) Senate Bill No. 874.

6

7 (b) Senate Bill No. 875.

8

9 (c) Senate Bill No. 873.

10

11 (d) Senate Bill No. 870.

12

13 (e) Senate Bill No. 871.

14