



Senate Fiscal Agency
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Senate Bill 92 (Substitute S-1 as reported)
Sponsor: Senator Nancy Cassis
Committee: Finance

CONTENT

The bill would amend the Michigan Business Tax (MBT) Act to provide that if the term "tax year" in the Act is used in reference to one or more previous or preceding tax years and those tax years are before January 1, 2008, then those tax years would be deemed the same tax years during which the former Single Business Tax Act was in effect.

The bill would be retroactive and effective for tax years beginning after December 31, 2007.

Under the MBT Act, "tax year" means the calendar year, or the fiscal year ending during the calendar year, upon the basis of which a taxpayer's MBT base is computed. If a return is made for a fractional part of a year, "tax year" means the period for which the return is made. Except for the first return required by the Act, a taxpayer's tax year is for the same period as is covered by its Federal income tax return. A taxpayer that has a 52- or 53-week tax year beginning seven or fewer days before December 31 of any year is considered to have a tax year beginning after December of that tax year.

MCL 208.1117

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The change proposed in the bill is technical in nature and therefore would have no fiscal impact on State or local government.

Date Completed: 1-29-09

Fiscal Analyst: Jay Wortley