

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 91

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
by amending section 503 (MCL 208.1503).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 503. If a taxpayer's tax year to which this act applies
2 ends before December 31, 2008 or if a taxpayer's first tax year is
3 less than 12 months then a taxpayer subject to this act may elect
4 to compute the tax imposed by this act for the portion of that tax
5 year to which this act applies or that first tax year in accordance
6 with 1 of the following methods:

7 (a) The tax may be computed as if this act were effective on
8 the first day of the taxpayer's annual accounting period and the
9 amount computed shall be multiplied by a fraction, the numerator of
10 which is the number of months in the taxpayer's first tax year and

1 the denominator of which is ~~12~~ **THE NUMBER OF MONTHS IN THE**
2 **TAXPAYER'S ANNUAL ACCOUNTING PERIOD.**

3 (b) The tax may be computed by determining the business income
4 tax base and modified gross receipts tax base in the first tax year
5 in accordance with an accounting method satisfactory to the
6 department that reflects the actual business income tax base and
7 modified gross receipts tax base attributable to the period.

8 Enacting section 1. This amendatory act is effective for tax
9 years ending after December 31, 2008.