

# SENATE BILL No. 91

January 27, 2009, Introduced by Senator CASSIS and referred to the Committee on Finance.

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 **FOR THE 2008 TAX YEAR** a taxpayer subject  
4 to this act may elect to compute the tax imposed by this act for  
5 the portion of that tax year to which this act applies or that  
6 first tax year in accordance 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

1 which is the number of months **IN THE TAXPAYER'S ANNUAL ACCOUNTING**  
2 **PERIOD THAT FALL WITHIN THE 2008 CALENDAR YEAR OR THE NUMBER OF**  
3 **MONTHS** in the taxpayer's first tax year **THAT FALL WITHIN THE 2008**  
4 **CALENDAR YEAR** and the denominator of which is ~~12~~**THE NUMBER OF**  
5 **MONTHS IN THE TAXPAYER'S ANNUAL ACCOUNTING PERIOD.**

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

11 Enacting section 1. This amendatory act is retroactive and  
12 effective for the 2008 tax year.