

Act No. 200
Public Acts of 2010
Approved by the Governor
October 5, 2010
Filed with the Secretary of State
October 5, 2010
EFFECTIVE DATE: October 5, 2010

**STATE OF MICHIGAN
95TH LEGISLATURE
REGULAR SESSION OF 2010**

Introduced by Senators Gilbert, Jansen, Richardville, Sanborn, Thomas, Barcia and Kuipers

ENROLLED SENATE BILL No. 361

AN ACT to amend 2007 PA 36, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations," (MCL 208.1101 to 208.1601) by adding section 471.

The People of the State of Michigan enact:

Sec. 471. (1) For the taxpayer's first tax year that begins after December 31, 2010 only, a taxpayer that is a wholesale dealer, retail dealer, distributor, manufacturer, or seller that had receipts from the sale of cigarettes or tobacco products and paid the federal and state excise taxes on or for such cigarettes or tobacco products under subtitle E of the internal revenue code or other applicable state law during the 2008 and 2009 tax years may claim a credit against the tax imposed by this act equal to the sum of the following:

(a) The difference between the taxpayer's modified gross receipts tax liability for the 2008 tax year and the taxpayer's modified gross receipts tax liability if the taxpayer had been allowed to deduct 100% of the federal and state excise taxes on or for such cigarettes or tobacco products under subtitle E of the internal revenue code or other applicable state law under section 111(1)(aa)(i) rather than 60%.

(b) The difference between the taxpayer's modified gross receipts tax liability for the 2009 tax year and the taxpayer's modified gross receipts tax liability if the taxpayer had been allowed to deduct 100% of the federal and state excise taxes on or for such cigarettes or tobacco products under subtitle E of the internal revenue code or other applicable state law under section 111(1)(aa)(i) rather than 75%.

(2) If the amount of the credit allowed under this section exceeds the tax liability of the taxpayer for the tax year, that excess shall be refunded.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved

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Governor