

SUBSTITUTE FOR
HOUSE BILL NO. 4191

A bill to amend 1967 PA 281, entitled
"Income tax act of 1967,"
by amending section 680 (MCL 206.680), as amended by 2012 PA 70.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 680. (1) Notwithstanding any other provision of this
2 part, except as otherwise provided in subsection (2) for a
3 certificated credit under section 435 or 437 of the Michigan
4 business tax act, 2007 PA 36, MCL 208.1435 and 208.1437, **or in**
5 **subsection (5) for a certificated credit under section 431 of the**
6 **Michigan business tax act, 2007 PA 36, MCL 208.1431,** a taxpayer
7 that has been approved to receive, has received, or has been
8 assigned a certificated credit that has not been fully claimed or
9 paid prior to January 1, 2012 may, for the taxpayer's first tax



1 year ending after December 31, 2011 only, elect to file a return
2 and pay the tax imposed by the Michigan business tax act, 2007 PA
3 36, MCL 208.1101 to 208.1601, in lieu of the tax imposed by this
4 part. An election under this subsection shall continue for the
5 period prescribed in section 500(1) of the Michigan business tax
6 act, 2007 PA 36, MCL 208.1500.

7 (2) A taxpayer with a certificated credit under section 435 or
8 437 of the Michigan business tax act, 2007 PA 36, MCL 208.1435 and
9 208.1437, which certificated credit may be claimed in a tax year
10 ending after December 31, 2011 may elect to pay the tax imposed by
11 the Michigan business tax act, 2007 PA 36, MCL 208.1101 to
12 208.1601, in the tax year in which that certificated credit or any
13 unused carryforward may be claimed in lieu of the tax imposed by
14 this part.

15 (3) A taxpayer that is a member of a unitary business group
16 and that has a certificated credit under sections 431 and 434(2)
17 and (5) of the Michigan business tax act, 2007 PA 36, MCL 208.1431
18 and 208.1434, is not required to file a combined return as a
19 unitary business group and may elect to file a separate return and
20 pay the tax, if any, under the Michigan business tax act, 2007 PA
21 36, MCL 208.1101 to 208.1601.

22 (4) A taxpayer that elects to pay the tax imposed by the
23 Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601,
24 under this section is not required to file an annual return under
25 this part.

26 **(5) A taxpayer that acquires, pursuant to the modification of**
27 **an existing written agreement approved by a resolution of the**
28 **Michigan strategic fund board on November 27, 2018 and the**
29 **subsequent transfer of that written agreement, a certificated**



1 credit authorized by the Michigan economic growth authority in 2004
 2 under section 431 of the Michigan business tax act, 2007 PA 36, MCL
 3 208.1431, may, for the first tax year ending after October 1, 2018
 4 only, elect to file the return and pay the tax imposed by the
 5 Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, in
 6 lieu of the tax imposed by this part as long as the Michigan
 7 economic growth authority or its successor determines that the
 8 modification and subsequent transfer of that credit reduces the
 9 total amount of the credit. However, if the first tax year ending
 10 after October 1, 2018 ends before the effective date of the
 11 amendatory act that added this subsection and the taxpayer has
 12 already filed a return for that tax year under this part, then the
 13 taxpayer may, if within the statute of limitations period
 14 prescribed under section 27a of 1941 PA 122, MCL 205.27a, elect
 15 under this subsection to file the return and pay the tax imposed by
 16 the Michigan business tax act, 2007 PA 36, MCL 208.1101 to
 17 208.1601, for that tax year by filing the necessary amended return
 18 under this part and filing an original return as provided under
 19 section 505 of the Michigan business tax act, 2007 PA 36, MCL
 20 208.1505. An election under this subsection shall continue for the
 21 period prescribed in section 500 of the Michigan business tax act,
 22 2007 PA 36, MCL 208.1500.

23 (6) ~~(5)~~—As used in this section, "certificated credit" means
 24 that term as defined in section 107 of the Michigan business tax
 25 act, 2007 PA 36, MCL 208.1107.

26 Enacting section 1. This amendatory act is retroactive and
 27 effective for tax years beginning after December 31, 2017.

28 Enacting section 2. This amendatory act does not take effect
 29 unless all of the following bills of the 100th Legislature are



1 enacted into law:

2 (a) House Bill No. 4189.

3 (b) House Bill No. 4190.

