

CITY INCOME TAX ACT (EXCERPT)
Act 284 of 1964

141.659 Tax withheld; correction of error, refund.

Sec. 59. Correction of an over or an under-withholding as a result of an employer's error shall be made as follows:

(a) If the error is discovered in the same quarter in which it is made, the employer shall make the necessary adjustment on a subsequent pay and include only the corrected amount on the quarterly return.

(b) If the error is discovered in a subsequent quarter of the same calendar year, the employer shall make the necessary adjustment on a subsequent pay and report it as an adjustment on the quarterly return.

(c) If the error is discovered in the following calendar year, or if the employer-employee relationship has terminated, the procedure shall be as follows:

(i) The employee or former employee shall apply to the city for a refund in case of an over-withholding. Upon proper verification the city shall refund to him the amount of the over-withholding.

(ii) If a deficiency is discovered, the employer shall notify the city and the employee or former employee, who shall pay the city the additional tax due in his annual return.

History: 1964, Act 284, Imd. Eff. June 12, 1964.