

**INCOME TAX ACT OF 1967 (EXCERPT)**  
**Act 281 of 1967**

**206.2 Income tax act; rules of construction; internal revenue code, applicability.**

Sec. 2. (1) For the purposes of this part, the words, terms and phrases set forth in this chapter and their derivations have the meaning given therein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and in the singular number include the plural. "Shall" is always mandatory and "may" is always discretionary.

(2) Any term used in this part shall have the same meaning as when used in comparable context in the laws of the United States relating to federal income taxes unless a different meaning is clearly required. Any reference in this part to the internal revenue code shall include other provisions of the laws of the United States relating to federal income taxes.

(3) It is the intention of this part that the income subject to tax be the same as taxable income as defined and applicable to the subject taxpayer in the internal revenue code, except as otherwise provided in this act.

**History:** 1967, Act 281, Eff. Oct. 1, 1967;—Am. 2011, Act 38, Eff. Jan. 1, 2012.