

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

**206.680 Election to pay tax imposed by Michigan business tax act; duration; taxpayer as member of unitary business group; separate return; annual return; "certificated credit" defined.**

Sec. 680. (1) Notwithstanding any other provision of this part, except as otherwise provided in subsection (2) for a certificated credit under section 435 or 437 of the Michigan business tax act, 2007 PA 36, MCL 208.1435 and 208.1437, or in subsection (5) for a certificated credit under section 431 of the Michigan business tax act, 2007 PA 36, MCL 208.1431, a taxpayer that has been approved to receive, has received, or has been assigned a certificated credit that has not been fully claimed or paid prior to January 1, 2012 may, for the taxpayer's first tax year ending after December 31, 2011 only, elect to file a return and pay the tax imposed by the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, in lieu of the tax imposed by this part. An election under this subsection shall continue for the period prescribed in section 500(1) of the Michigan business tax act, 2007 PA 36, MCL 208.1500.

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

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

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

(5) A taxpayer that acquires, pursuant to the modification of an existing written agreement approved by a resolution of the Michigan strategic fund board on November 27, 2018 and the subsequent transfer of that written agreement, a certificated credit authorized by the Michigan economic growth authority in 2004 under section 431 of the Michigan business tax act, 2007 PA 36, MCL 208.1431, may, for the first tax year ending after October 1, 2018 only, elect to file the return and pay the tax imposed by the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, in lieu of the tax imposed by this part as long as the Michigan economic growth authority or its successor determines that the modification and subsequent transfer of that credit reduces the total amount of the credit. However, if the first tax year ending after October 1, 2018 ends before the effective date of the amendatory act that added this subsection and the taxpayer has already filed a return for that tax year under this part, then the taxpayer may, if within the statute of limitations period prescribed under section 27a of 1941 PA 122, MCL 205.27a, elect under this subsection to file the return and pay the tax imposed by the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601, for that tax year by filing the necessary amended return under this part and filing an original return as provided under section 505 of the Michigan business tax act, 2007 PA 36, MCL 208.1505. An election under this subsection shall continue for the period prescribed in section 500 of the Michigan business tax act, 2007 PA 36, MCL 208.1500.

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

**History:** Add. 2011, Act 38, Eff. Jan. 1, 2012;—Am. 2012, Act 70, Imd. Eff. Mar. 29, 2012;—Am. 2019, Act 92, Imd. Eff. Oct. 10, 2019.

**Compiler's note:** Enacting section 1 of Act 92 of 2019 provides:

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