



SENATE BILL No. 49

January 17, 1995, Introduced by Senator DINGELL and referred to the Committee on Finance.

A bill to amend section 73 of Act No. 228 of the Public Acts of 1975, entitled "Single business tax act," as amended by Act No. 246 of the Public Acts of 1994, being section 208.73 of the Michigan Compiled Laws; and to add section 73a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 73 of Act No. 228 of the Public Acts of
2 1975, as amended by Act No. 246 of the Public Acts of 1994, being
3 section 208.73 of the Michigan Compiled Laws, is amended and sec-
4 tion 73a is added to read as follows:

5 Sec. 73. (1) An annual or final return shall be filed with
6 the department in the form and content prescribed by the
7 department by the last day of the fourth month after the end of
8 the taxpayer's tax year. Any final liability shall be remitted

1 with this return. ~~—A—~~ EXCEPT AS PROVIDED IN SECTION 73A, A
2 person whose apportioned or allocated gross receipts plus the
3 adjustments provided in section 23b(a), (b), and (c) are less
4 than the following amount for the appropriate year need not file
5 a return or pay the tax provided under this act:

6 (a) \$40,000.00 for tax years beginning before January 1,
7 1991.

8 (b) \$60,000.00 for tax years beginning after December 31,
9 1990 and before January 1, 1992.

10 (c) \$100,000.00 for tax years beginning after December 31,
11 1991 and before January 1, 1994.

12 (d) \$137,500.00 for tax years beginning after December 31,
13 1993 and before January 1, 1995.

14 (e) \$250,000.00 for tax years beginning after December 31,
15 1994.

16 (2) For a person whose apportioned or allocated gross
17 receipts plus the adjustments provided in section 23b(a), (b),
18 and (c), are for a tax year less than 12 months, the amount in
19 subsection (1) shall be multiplied by a fraction, the numerator
20 of which is the number of months in the tax year and the denomi-
21 nator of which is 12.

22 (3) The commissioner upon application of the taxpayer and
23 for good cause shown may extend the date for filing the annual
24 return. Interest at the rate of 9% per annum shall be added to
25 the amount of the tax unpaid for the period of the extension.
26 The commissioner shall require a tentative return and payment of
27 an estimated tax.

1 (4) If a taxpayer is granted an extension of time within
2 which to file the federal income tax return for any taxable year,
3 the filing of a copy of the request for extension together with a
4 tentative return and payment of an estimated tax with the commis-
5 sioner by the due date provided in subsection (1) shall automati-
6 cally extend the due date for the filing of a final return under
7 this act for an equivalent period plus 60 days. Interest at the
8 rate of 9% per annum shall be added to the amount of the tax
9 unpaid for the period of the extension.

10 (5) An affiliated group as defined in this act or a con-
11 trolled group of corporations or an entity under common control
12 as those terms are defined in the internal revenue code, shall
13 consolidate the gross receipts of the entities to determine if a
14 person need not pay a tax or file a return as provided under sub-
15 section (1).

16 SEC. 73A. (1) FOR TAX YEARS BEGINNING AFTER DECEMBER 31,
17 1994, A PERSON THAT IS A QUALIFIED BUSINESS AND THAT APPORTIONED
18 OR ALLOCATED GROSS RECEIPTS PLUS ADJUSTMENTS PROVIDED IN SECTION
19 23B(A), (B), AND (C) THAT ARE LESS THAN THE AMOUNT ESTABLISHED IN
20 SECTION 73 AND ADJUSTED UNDER SUBSECTION (2) NEED NOT FILE A
21 RETURN OR PAY THE TAX PROVIDED UNDER THIS ACT.

22 (2) A QUALIFIED BUSINESS MAY INCREASE THE THRESHOLD AMOUNT
23 UNDER SECTION 73 BY AN AMOUNT EQUAL TO 10% OF THE COST PAID IN
24 THE TAX YEAR TO PURCHASE STEEL CONSTRUCTION MATERIALS.

25 (3) IF THE CREDIT ALLOWED UNDER THIS SECTION FOR THE TAX
26 YEAR AND ANY UNUSED CARRYFORWARD OF THE CREDIT ALLOWED BY THIS
27 SECTION EXCEED THE TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR,

1 THAT PORTION THAT EXCEEDS THE TAX LIABILITY FOR THE TAX YEAR
2 SHALL NOT BE REFUNDED BUT MAY BE CARRIED FORWARD TO OFFSET TAX
3 LIABILITY IN SUBSEQUENT TAX YEARS FOR 10 YEARS OR UNTIL USED UP,
4 WHICHEVER OCCURS FIRST.

5 (4) AS USED IN THIS SECTION, "QUALIFIED BUSINESS" MEANS A
6 MANUFACTURER OF STEEL FRAME RESIDENTIAL BUILDINGS.