HOUSE BILL No. 4973

June 16, 2005, Introduced by Reps. Baxter, Sheen and Drolet and referred to the Committee
   on Tax Policy.

A bill to amend 1975 PA 228, entitled

"Single business tax act,"

by amending section 45a (MCL 208.45a), as amended by 1999 PA 115.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 45a. (1) Except as provided in subsection (2) and for tax

2 years beginning after December 31, 1998 **AND BEFORE JANUARY 1, 2006**,

3 all of the tax base, other than the tax base derived principally

4 from transportation, financial, or insurance carrier services or

5 specifically allocated, shall be apportioned to this state by

6 multiplying the tax base by a percentage, which is the sum of all

7 of the following percentages:

8   (a) The property factor multiplied by 5%.

9   (b) The payroll factor multiplied by 5%.

10   (c) The sales factor multiplied by 90%.

11   **(2) FOR TAX YEARS BEGINNING AFTER DECEMBER 31, 2005, ALL OF**

1 **THE TAX BASE, OTHER THAN THE TAX BASE DERIVED PRINCIPALLY FROM**

2 **TRANSPORTATION, FINANCIAL, OR INSURANCE CARRIER SERVICES OR**

3 **SPECIFICALLY ALLOCATED, SHALL BE APPORTIONED TO THIS STATE BY**

4 **MULTIPLYING THE TAX BASE BY THE SALES FACTOR.**

5 **(3)** ~~(2)~~ For tax years beginning after December 31, 1998 and

6 before January 1, 2000 if section 23(e) is not in effect, all of

7 the tax base, other than the tax base derived principally from

8 transportation, financial, or insurance carrier services or

9 specifically allocated, shall be apportioned to this state by

10 multiplying the tax base by a percentage, which is the sum of all

11 of the following percentages:

12   (a) The property factor multiplied by 15%.

13   (b) The payroll factor multiplied by 15%.

14   (c) The sales factor multiplied by 70%.

15 **(4)** ~~(3)~~ For purposes of this section, a taxpayer that has a

16 52- or 53-week tax year beginning not more than 7 days before

17 December 31 of any year is considered to have a tax year beginning

18 after December 31 of that year.