

**CITY INCOME TAX ACT (EXCERPT)**  
**Act 284 of 1964**

**141.509 Administration, enforcement, and collection of city income tax by department of treasury; agreement; disposition of amounts collected; provisions.**

Sec. 9.

(1) A city that imposes a city income tax pursuant to this act may enter into an agreement with the department of treasury under which the department of treasury shall administer, enforce, and collect the city income tax on behalf of the city.

(2) City income taxes, interest, penalties, and collection fees collected under an agreement entered into pursuant to subsection (1) shall be kept in the city income tax trust fund and shall be paid to the city, except that an amount of the taxes collected as determined in the agreement may be retained by the department of treasury to cover the cost of collection and administration and that amount shall be deposited into the state general fund. The department of treasury shall not charge to or collect from a taxpayer any amount not otherwise authorized by law in conjunction with the collection of city income tax pursuant to an agreement entered into pursuant to this section.

(3) If the city enters into an agreement under subsection (1), the agreement shall include provisions that relate to all of the following:

- (a) The development of and distribution of forms required by the agreement and the ordinance under chapter 2.
- (b) The processing of all payments.
- (c) Enforcement procedures.
- (d) Administrative and legal costs.
- (e) Data exchange.
- (f) Transfer and payment of funds.
- (g) Termination of the agreement by either party.
- (h) Any additional provisions as appropriate.

**History:** Add. 1996, Act 478, Eff. Jan. 1, 1996 ;-- Am. 2023, Act 195, Eff. Feb. 13, 2024