

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

\*\*\*\*\* 206.603.amended THIS AMENDED SECTION IS EFFECTIVE JANUARY 1, 2012 \*\*\*\*\*

**206.603.amended Definitions; B.**

Sec. 603. (1) "Business activity" means a transfer of legal or equitable title to or rental of property, whether real, personal, or mixed, tangible or intangible, or the performance of services, or a combination thereof, made or engaged in, or caused to be made or engaged in, whether in intrastate, interstate, or foreign commerce, with the object of gain, benefit, or advantage, whether direct or indirect, to the taxpayer or to others, but does not include the services rendered by an employee to his or her employer or services as a director of a corporation. Although an activity of a taxpayer may be incidental to another or to others of his or her business activities, each activity shall be considered to be business engaged in within the meaning of this part.

(2) "Business income" means federal taxable income. For a tax-exempt taxpayer, business income means only that part of federal taxable income derived from unrelated business activity.

**History:** Add. 2011, Act 38, Eff. Jan. 1, 2012;—Am. 2011, Act 173, Eff. Jan. 1, 2012.