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

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

206.653.amended Franchise tax.
Sec. 653. (1) Every financial institution with substantial nexus in this state is subject to a franchise tax. The franchise tax is imposed upon the tax base of the financial institution as determined under section 655 after allocation or apportionment to this state, at the rate of 0.29%.
(2) For purposes of this section, a financial institution has substantial nexus in this state if the financial institution satisfies any of the following:
   (a) Has a physical presence in this state for a period of more than 1 day during the tax year.
   (b) Actively solicits sales in this state and has gross receipts of $350,000.00 or more sourced to this state. As used in this subdivision, “actively solicits” means that term as defined under section 621.
   (c) Has an ownership interest or a beneficial interest in a flow-through entity, directly or indirectly through 1 or more other flow-through entities, that has substantial nexus in this state as provided under this section or section 621.
(3) The tax under this chapter is in lieu of the tax levied and imposed under chapter 11 of this part.