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Senate Bill 1540 (as introduced 9-24-08)  
Sponsor: Senator Nancy Cassis  
Committee: Finance

Date Completed: 10-1-08

### **CONTENT**

The bill would amend the Michigan Business Tax (MBT) Act to require the Department of Treasury to prepare a clear and concise listing of each credit allowed under the Act and a detailed explanation of that credit. The Department would have to make a copy of the listing available to the public upon request and post the listing on the Department's official website.

By March 1 of each year after 2008, the Department would have to submit to the Governor and both houses of the Legislature an annual report concerning the operation and effectiveness of each credit under the Act, and would have to post the report on the website. The report would have to include at least all of the following:

- A brief assessment of the overall effectiveness of each credit during the immediately preceding calendar year.
- The total number of taxpayers that claimed each credit during the immediately preceding calendar year including the name and location of those taxpayers.
- The total amount of credits awarded under each credit during the preceding calendar year.

The requirements of Section 28(1)(f) of the revenue Act would not apply to disclosure of tax information required by the bill. (Under that section, an employee, authorized representative, or former employee or authorized representative of the Department or anyone connected with the Department may not divulge any facts or information obtained in connection with the administration of a tax or information or parameters that would enable a person to ascertain the Department's audit selection or processing criteria for a tax administered by the Department, except as otherwise provided.)

MCL 208.1513

Legislative Analyst: Craig Laurie

### **FISCAL IMPACT**

There could be additional staff time costs associated with the requirements of the bill. Current appropriations should be sufficient to support the listing and reporting of tax credits allowed under the Act; however, additional appropriations could become necessary if the reporting requirements became too cumbersome for the Department's current staffing level.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.