



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5543 (Substitute H-2 as reported without amendment)

Sponsor: Representative Al Pscholka

House Committee: Tax Policy

Senate Committee: Finance

CONTENT

The bill would amend Section 27a of the revenue Act to provide that the filing of a return includes the filing of a combined, consolidated, or composite return whether or not any tax was paid and whether or not the taxpayer reported any amount in the tax line including zero.

The bill expresses a legislative intent that the amendment be retroactive and effective for all tax years that are open under the statute of limitations provided in Section 27a, for all matters regarding the filing of a return under this section. The bill also expresses an intent that the amendment not affect a refund required by a final court order for which all rights of appeal were exhausted or had expired before May 1, 2012.

MCL 205.27a

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would reduce revenue by an unknown amount. No information is available on how many taxpayers, or their characteristics or tax liabilities, would be affected by the bill. Due to the retroactivity provisions, the majority of the bill's would affect FY 2012-13 revenue, as taxpayers filed amended returns as a result of the bill or were not required to file additional returns or pay any associated fines.

The bill would not affect local unit revenue or expenditure.

Date Completed: 6-8-12

Fiscal Analyst: David Zin