

HOUSE BILL No. 4046

January 13, 2011, Introduced by Reps. Muxlow, Somerville, Yonker, Johnson, Daley, Huuki, Hooker and Knollenberg and referred to the Committee on Tax Policy.

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 281 (MCL 208.1281), as added by 2007 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 281. (1) In addition to the taxes imposed and levied
2 under this act and subject to subsections (2) ~~AND~~ (3), ~~and (4),~~
3 to meet deficiencies in state funds an annual surcharge is imposed
4 and levied on each taxpayer equal to the following percentage of
5 the taxpayer's tax liability under this act after allocation or
6 apportionment to this state under this act but before calculation
7 of the various credits available under this act:

8 (a) For each taxpayer other than a person subject to the tax
9 imposed and levied under chapter 2B: ~~7~~

10 (i) **FOR TAX LIABILITY INCURRED AFTER DECEMBER 31, 2007 AND**

1 BEFORE APRIL 1, 2011, 21.99%.

2 (ii) FOR TAX LIABILITY INCURRED AFTER MARCH 31, 2011 AND BEFORE
3 OCTOBER 1, 2011, 16.49%.

4 (iii) FOR TAX LIABILITY INCURRED AFTER SEPTEMBER 30, 2011 AND
5 BEFORE OCTOBER 1, 2012, 10.99

6 (b) For a person subject to the tax imposed and levied under
7 chapter 2B:

8 (i) For tax years ending after December 31, 2007 and before
9 January 1, 2009, 27.7%.

10 (ii) For tax years ending after December 31, 2008 AND BEFORE
11 JANUARY 1, 2010, AND FOR TAX LIABILITY INCURRED BEFORE APRIL 1,
12 2011, 23.4%.

13 (iii) FOR TAX LIABILITY INCURRED AFTER MARCH 31, 2011 AND BEFORE
14 OCTOBER 1, 2011, 17.55%.

15 (iv) FOR TAX LIABILITY INCURRED AFTER SEPTEMBER 30, 2011 AND
16 BEFORE OCTOBER 1, 2012, 11.7%.

17 ~~—— (2) If the Michigan personal income growth exceeds 0% in any 1~~
18 ~~of the 3 calendar years immediately preceding the 2017 calendar~~
19 ~~year, then the surcharge under subsection (1) shall not be levied~~
20 ~~and imposed on or after January 1, 2017. For purposes of this~~
21 ~~subsection, "Michigan personal income" means personal income for~~
22 ~~this state as defined by the bureau of economic analysis of the~~
23 ~~United States department of commerce or its successor.~~

24 (2) ~~(3)~~—The amount of the surcharge imposed and levied on any
25 taxpayer under subsection (1)(a) shall not exceed \$6,000,000.00 for
26 any single tax year THROUGH THE 2010 TAX YEAR, \$4,500,000.00 FOR
27 THE 2011 TAX YEAR, AND \$3,000,000.00 FOR THE 2012 TAX YEAR.

1 (3) ~~(4)~~—The surcharge imposed and levied under this section
2 does not apply to either of the following:

3 (a) A person subject to the tax imposed and levied under
4 chapter 2A.

5 (b) A person subject to the tax imposed and levied under
6 chapter 2B that is authorized to exercise only trust powers.

7 (4) ~~(5)~~—The surcharge imposed and levied under this section
8 shall constitute a part of the tax imposed under this act and shall
9 be administered, collected, and enforced as provided under this
10 act.