

**MICHIGAN ESTATE TAX ACT (EXCERPT)**  
**Act 188 of 1899**  
DISCOUNT, INTEREST AND PENALTY.

**205.204 Accrual of tax; when tax due and payable; failure or refusal to file return, report, or remittance; partial or interim payment; extension; penalty; interest; waiver of penalty; filing; waiver of filing.**

Sec. 4.

(1) The tax imposed by this act accrues on the date of death and is due and payable on or before the expiration of 9 months after the date of death for a decedent dying before January 1, 1992 or, for a decedent dying after December 31, 1991, 105 days after the date of death or September 1, 1992, whichever is later. For a decedent dying after December 31, 1991, taxes are delinquent if paid after 105 days after the date of death or September 1, 1992, whichever is later. For a decedent dying after December 31, 1991, a penalty of 8% of the tax is added to the tax, if delinquent, for failure to pay the tax required by this act by the due date required under this subsection. For failure or refusal to pay the tax required by this act within 9 months from the accruing thereof, there is added an additional penalty of \$5.00 or 5% of the tax, whichever is greater, if the failure is for not more than 1 month or a fraction of 1 month, with an additional 5% for each additional month or fraction of a month during which the failure continues, or the tax and penalty are not paid, to a maximum of 25%. For failure to pay the tax by the due date, in addition to the penalty, there is added interest at the rate of 3/4 of 1% per month on the amount of the tax from the time the tax was accrued until the date of payment.

(2) If by reason of claims made upon the estate, necessary litigation, or other unavoidable cause of delay, the tax cannot be completely determined and paid, a partial or interim payment of not less than 50% of the total tax liability, together with a request for extension, shall be made before the due date. If the department of treasury grants the request for extension, the 8% penalty under subsection (1) is waived and an additional payment of not less than 25% of the total tax liability shall be made before 9 months from the date of death. Interest at the rate of 3/4 of 1% per month is added to the amount of tax unpaid for the period of extension until the tax is determined or could be determined. If the balance of the tax due remains unpaid for more than 30 days from the date the tax is determined or could be determined, there is added a penalty of \$5.00 or 5% of the tax not paid, whichever is greater, if the failure is for not more than 1 month or a fraction of 1 month, with an additional 5% for each additional month or fraction of a month during which the failure continues, or the tax and penalty are not paid, to a maximum of 25%. In addition to the penalty, there is added interest at the rate of 3/4 of 1% per month on the amount of the tax from the time the tax was determined or could have been determined until the date of payment.

(3) If payment is deferred as provided in section 7, interest is charged at the rate of 3/4 of 1% per month from the accrual of the tax until the date of payment.

(4) For failure or refusal to file an information return or information report required by this act, within the time specified by this act, there is added a penalty of \$5.00 per day for each day for each separate failure or refusal. The total penalty for each separate failure or refusal shall not exceed \$200.00.

(5) If a return, report, or remittance is filed after the time specified by this act and it is shown to the satisfaction of the department that the failure to file was due to reasonable cause and not to willful neglect, the penalty may be waived.

(6) The administrator, personal representative, executor, or trustee of each estate shall file a form, as prescribed by the department, containing data required for the proper administration of the tax not later than the due date or within the period of extension granted under subsection (2). The filing of this form may be waived by the department of treasury.

**History:** 1899, Act 188, Eff. Sept. 23, 1899 ;-- Am. 1903, Act 195, Imd. Eff. June 9, 1903 ;-- Am. 1907, Act 155, Imd. Eff. June 17, 1907 ;-- CL 1915, 14527 ;-- CL 1929, 3676 ;-- CL 1948, 205.204 ;-- Am. 1971, Act 55, Imd. Eff. July 6, 1971 ;-- Am. 1975, Act 6, Imd. Eff. Mar. 25, 1975 ;-- Am. 1992, Act 65, Imd. Eff. May 28, 1992

**Compiler's Notes:** For applicability of section, see MCL 205.223(a).

**Popular Name:** Inheritance Tax