

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

***** 206.663.added THIS ADDED SECTION IS EFFECTIVE JANUARY 1, 2012 *****

206.663.added Sales factor.

Sec. 663. (1) Except as otherwise provided in subsection (2) and section 669, the sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this state during the tax year and the denominator of which is the total sales of the taxpayer everywhere during the tax year.

(2) Except as otherwise provided under this subsection, for a taxpayer that is a unitary business group, sales include sales in this state of every person included in the unitary business group without regard to whether the person has nexus in this state. Sales between persons included in a unitary business group must be eliminated in calculating the sales factor.

(3) It is the intent of the legislature that each tax base of a taxpayer is apportioned to this state by multiplying each tax base by the sales factor multiplied by 100% and that apportionment shall not be based on property, payroll, or any other factor notwithstanding section 1 of 1969 PA 343, MCL 205.581.

History: Add. 2011, Act 38, Eff. Jan. 1, 2012.