

# SENATE BILL No. 672

September 15, 2011, Introduced by Senator ROBERTSON and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
by amending section 683 (MCL 206.683), as added by 2011 PA 38.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 683. (1) If a taxpayer's tax year to which this part  
2 applies ends before December 31, 2012, then a taxpayer subject to  
3 this part may elect to compute the tax imposed by this part for the  
4 portion of that tax year to which this part applies ~~or that first~~  
5 ~~tax year~~ in accordance with 1 of the following methods:

6           (a) The tax may be computed as if this part were effective on  
7 the first day of the taxpayer's annual accounting period and the  
8 amount computed shall be multiplied by a fraction, the numerator of  
9 which is the number of months in the taxpayer's first tax year and  
10 the denominator of which is the number of months in the taxpayer's

1 annual accounting period.

2 (b) The tax may be computed by determining the corporate  
3 income tax base in the first tax year in accordance with an  
4 accounting method satisfactory to the department that reflects the  
5 actual corporate income tax base attributable to the period.

6 (2) THE METHOD CHOSEN BY THE TAXPAYER UNDER THIS SECTION SHALL  
7 BE THE SAME AS THE METHOD USED BY THAT SAME TAXPAYER WHEN COMPUTING  
8 THE TAX IMPOSED UNDER THE MICHIGAN BUSINESS TAX ACT, 2007 PA 36,  
9 MCL 208.1101 TO 208.1601, FOR THE OTHER PORTION OF THAT SAME TAX  
10 YEAR.

11 Enacting section 1. This amendatory act takes effect January  
12 1, 2012.