

HOUSE BILL No. 4707

April 26, 1989, Introduced by Reps. Munsell, Willis Bullard and Emmons and referred to the Committee on Taxation.

A bill to amend sections 41, 42, and 52 of Act No. 228 of the Public Acts of 1975, entitled "Single business tax act," being sections 208.41, 208.42, and 208.52 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 41, 42, and 52 of Act No. 228 of the
2 Public Acts of 1975, being sections 208.41, 208.42, and 208.52 of
3 the Michigan Compiled Laws, are amended to read as follows:

4 Sec. 41. A taxpayer ~~whose~~ WHO HAS business activities
5 ~~are taxable~~ both within and without this state ~~—~~ shall appor-
6 tion ~~his~~ ITS tax base as provided in this chapter.

7 Sec. 42. For purposes of apportionment of the tax base from
8 business activities under this act, a taxpayer ~~is taxable~~ HAS

1 BUSINESS ACTIVITY in another state if ~~—~~ 1 OF THE FOLLOWING
2 APPLIES:

3 (a) ~~in~~ IN that state ~~he~~ THE TAXPAYER is subject to a
4 business privilege tax, a net income tax, a franchise tax mea-
5 sured by net income, a franchise tax for the privilege of doing
6 business, ~~or~~ a corporate stock tax, OR a tax of the type
7 imposed under this act. ~~—, or~~

8 (b) THE BUSINESS ACTIVITIES IN THAT STATE WOULD GIVE that
9 state ~~has~~ jurisdiction to subject the taxpayer to 1 or more of
10 the taxes DESCRIBED IN SUBDIVISION (A) regardless of whether, in
11 fact, ~~the~~ THAT state does or does not IMPOSE 1 OR MORE OF THOSE
12 TAXES.

13 Sec. 52. ~~Sales~~ A SALE of tangible personal property ~~are~~
14 IS in this state if 1 OF THE FOLLOWING APPLIES:

15 (a) The property is shipped or delivered to a purchaser,
16 other than the United States government, within this state
17 regardless of the free on board point or other conditions of the
18 ~~sales~~ SALE.

19 (b) The property is shipped from an office, store, ware-
20 house, factory, or other place of storage in this state and the
21 purchaser is the United States government. ~~—, or the taxpayer is~~
22 ~~not taxable in the state of the purchaser. For the purposes of~~
23 ~~this subdivision only, "state" means any state of the United~~
24 ~~States, the District of Columbia, the commonwealth of Puerto~~
25 ~~Rico, any territory or possession of the United States, or polit-~~
26 ~~ical subdivision thereof.~~