

SENATE BILL No. 342

April 19, 1989, Introduced by Senators SHINKLE, POSTHUMUS,
V. SMITH, DINGELL, CARL and ARTHURHULTZ and referred
to the Committee on Finance.

A bill to amend section 18 of Act No. 281 of the Public Acts
of 1967, entitled
"Income tax act of 1967,"
being section 206.18 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 18 of Act No. 281 of the Public Acts of
2 1967, being section 206.18 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 18. (1) "Resident" means ANY OF THE FOLLOWING:

5 (a) An individual domiciled in ~~the~~ THIS state. "Domicile"
6 means a place where a person has his OR HER true, fixed and per-
7 manent home and principal establishment to which, whenever absent
8 ~~therefrom he~~ FROM THAT HOME AND ESTABLISHMENT, HE OR SHE
9 intends to return. ~~—, and domicile~~ DOMICILE continues until
10 another permanent establishment is established. If an individual

1 IS A RESIDENT during the taxable year ~~being a resident~~ AND
2 becomes a nonresident or vice versa, taxable income shall be
3 determined separately for income in each status. If an individ-
4 ual lives in this state at least 183 days during the tax year or
5 more than 1/2 the days during a taxable year of less than 12
6 months, ~~he~~ THE INDIVIDUAL shall be ~~deemed~~ CONSIDERED a resi-
7 dent individual domiciled in this state.

8 (b) The estate of a decedent who at ~~his~~ death was domi-
9 ciled in this state.

10 (c) ~~any~~ A trust created by will of a decedent who at ~~his~~
11 death was domiciled in this state ~~and any~~ OR A trust created
12 by, or consisting of property of, a person domiciled in this
13 state, at the time the trust becomes irrevocable.

14 (2) For the purpose of the definition of "resident", a tax-
15 able year shall be ~~deemed to be~~ CONSIDERED terminated at the
16 date of death.

17 (3) ~~The term "resident" when referring to~~ "RESIDENT"
18 MEANS, FOR a corporation, ~~means~~ a corporation organized under
19 the laws of this state.

20 (4) "RESIDENT" DOES NOT INCLUDE AN INDIVIDUAL DURING THE
21 PERIOD OF TIME THAT BOTH OF THE FOLLOWING ARE TRUE:

22 (A) THE INDIVIDUAL IS A QUALIFIED INDIVIDUAL AS THAT TERM IS
23 DEFINED IN SECTION 911 OF THE INTERNAL REVENUE CODE.

24 (B) THE INDIVIDUAL'S SPOUSE IS, OR WOULD BE IF THE SPOUSE
25 WERE REQUIRED TO QUALIFY UNDER SECTION 911 OF THE INTERNAL REVE-
26 NUE CODE, A QUALIFIED INDIVIDUAL AS THAT TERM IS DEFINED IN
27 SECTION 911 OF THE INTERNAL REVENUE CODE.