

# SENATE BILL No. 429

May 9, 1989, Introduced by Senators SHINKLE, CARL and  
POSTHUMUS and referred to the Committee on Finance.

A bill to amend section 22f of Act No. 228 of the Public  
Acts of 1975, entitled  
"Single business tax act,"  
as added by Act No. 262 of the Public Acts of 1987, being section  
208.22f of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 22f of Act No. 228 of the Public Acts of  
2 1975, as added by Act No. 262 of the Public Acts of 1987, being  
3 section 208.22f of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 22f. (1) Beginning August 3, 1987 AND THROUGH JULY 14,  
6 1989, an insurance company ~~shall be~~ IS subject to the tax as  
7 provided in this act or section 476a of the insurance code of  
8 1956, Act No. 218 of the Public Acts of 1956, being  
9 section 500.476a of the Michigan Compiled Laws, if applicable,

1 whichever is greater. BEGINNING JUNE 15, 1989, AN INSURANCE  
2 COMPANY IS SUBJECT TO THE TAX IMPOSED BY THIS ACT.

3 (2) An insurance company shall pay the taxes required by  
4 this act on a tax year that begins on October 1 and ends on  
5 September 30 of the following year. The liability of a domestic  
6 insurer for the period before August 3, 1987 shall be determined  
7 on a calendar year basis and prorated based on the portion of the  
8 tax year before August 3, 1987.

9 (3) NOTWITHSTANDING SECTION 71(2), AN INSURANCE COMPANY  
10 SHALL FILE QUARTERLY RETURNS AND MAKE ESTIMATED PAYMENTS BY  
11 JANUARY 15, APRIL 15, JULY 15, AND OCTOBER 15. NOTWITHSTANDING  
12 SECTION 73(1), AN INSURANCE COMPANY SHALL FILE AN ANNUAL RETURN  
13 BY MARCH 1 AFTER THE END OF THE TAX YEAR. NOTWITHSTANDING  
14 SECTION 73(3), AN INSURANCE COMPANY SHALL NOT BE GRANTED AN  
15 EXTENSION OF TIME WITHIN WHICH TO FILE AN ANNUAL RETURN UNDER  
16 THIS ACT.

17 (4) THE REQUIREMENTS OF SECTION 28(1)(F) OF ACT NO. 122 OF  
18 THE PUBLIC ACTS OF 1941, BEING SECTION 205.28 OF THE MICHIGAN  
19 COMPILED LAWS, WHICH PROHIBIT AN EMPLOYEE OR AUTHORIZED REPRESENTATIVE OF,  
20 A FORMER EMPLOYEE OR AUTHORIZED REPRESENTATIVE OF, OR  
21 ANYONE CONNECTED WITH THE DEPARTMENT OF TREASURY FROM DIVULGING  
22 ANY FACTS OR INFORMATION OBTAINED IN CONNECTION WITH THE ADMINIS-  
23 TRATION OF A TAX, DO NOT APPLY TO THE TAX IMPOSED ON AN INSURANCE  
24 COMPANY UNDER THIS ACT.

25 (5) IF, FOR THE TAX YEAR ENDING IN 1988, AN INSURANCE  
26 COMPANY'S TAX LIABILITY UNDER SECTION 476A OF THE INSURANCE CODE  
27 OF 1956, ACT NO. 218 OF THE PUBLIC ACTS OF 1956, IS GREATER THAN

1 ITS TAX LIABILITY UNDER THIS ACT, FOR THE PURPOSES OF CALCULATING  
2 THE ESTIMATED PAYMENTS REQUIRED BY SECTION 71 FOR THE TAX YEAR  
3 ENDING IN 1989, THE INSURANCE COMPANY'S TAX LIABILITY FOR THE TAX  
4 YEAR ENDING IN 1988 SHALL BE CONSIDERED TO BE THE AMOUNT THAT  
5 WOULD HAVE BEEN DUE UNDER THIS ACT IF A GREATER TAX LIABILITY HAD  
6 NOT BEEN IMPOSED UNDER SECTION 476A OF THE INSURANCE CODE OF  
7 1956, ACT NO. 218 OF THE PUBLIC ACTS OF 1956.