

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

206.813 Election to pay flow-through entity tax; irrevocable; timing.

Sec. 813.

For tax years beginning on and after January 1, 2021, a flow-through entity may, in a form and manner as prescribed by the department, elect to file a return and pay the tax imposed by this part. Except as otherwise provided under this section, an election made under this section is an irrevocable election that shall continue for the next 2 subsequent tax years and the taxpayer shall continue to file a return and pay the tax imposed under this part as provided in section 833. For tax years beginning before January 1, 2024, a flow-through entity that elects to pay the tax imposed under this part shall file its election with the department on or before the fifteenth day of the third month of that tax year. However, an election made for any tax year beginning in 2021 must be made before April 15, 2022. For tax years beginning on and after January 1, 2024, a flow-through entity that elects to pay the tax imposed under this part shall file its election with the department on or before the last day of the ninth month after the end of the tax year. A separate election must be made after the expiration of the irrevocable period described in this section to continue to pay the tax imposed by this part. If, in accordance with section 847, the tax is not levied and imposed during any tax year, for any subsequent tax year that the tax is levied and imposed under this part, regardless of whether the taxpayer had previously made an election to pay under this section, the taxpayer is required to make a separate election to pay under this section. If a taxpayer serves written notice upon the department within 60 days of the issuance of a denial of an election made under this section, the taxpayer is entitled to an informal conference on the question in the same manner and under the same procedures provided for under section 21 of 1941 PA 122, MCL 205.21.

History: Add. 2021, Act 135, Imd. Eff. Dec. 21, 2021 ;-- Am. 2024, Act 216, Eff. Apr. 2, 2025

Compiler's Notes: Enacting section 1 of Act 135 of 2021 provides: "Enacting section 1. This amendatory act is retroactive and intended to apply retroactively effective for tax years beginning on and after January 1, 2021."