

**VALIDATION OF AUDITS**  
**Act 392 of 1978**

AN ACT to validate certain audits performed by the department of treasury.

**History:** 1978, Act 392, Imd. Eff. Aug. 1, 1978.

*The People of the State of Michigan enact:*

**450.321 Validation of certain audits.**

Sec. 1. All audits performed by or at the direction of the department of treasury for the purpose of determining liability for a corporate franchise fee levied pursuant to former Act No. 85 of the Public Acts of 1921, and all payments received and refunds made on the basis of those audits before the repeal of former Act No. 85 of the Public Acts of 1921 are declared to be valid and to have been in fulfillment of the legislative purpose to provide for fair administration and enforcement of that act.

**History:** 1978, Act 392, Imd. Eff. Aug. 1, 1978.

**Constitutionality:** Act 392 of 1978, which purported to validate unauthorized field audits of corporate books by the Department of Treasury and recomputation of the corporate franchise fee liability and to validate payment of the recomputed fees, as applied by the department in denying refunds to taxpayers that paid the recomputed fees and sought refunds while excusing payment of the fees by corporations that withheld or refused payment unconstitutionally denied the taxpayers equal protection of the law. Armco Steel v. Department of Treasury, 419 Mich 582; 358 NW2d 839 (1984).

**Compiler's note:** Act 85 of 1921, referred to in this section, was repealed by Act 144 of 1954, Act 284 of 1972, and Act 230 of 1975.

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