

SENATE BILL No. 591

November 5, 1991, Introduced by Senator BOUCHARD and referred to the Committee on Finance.

A bill to amend section 30 of Act No. 122 of the Public Acts of 1941, entitled as amended

"An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act,"

as amended by Act No. 58 of the Public Acts of 1986, being section 205.30 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 30 of Act No. 122 of the Public Acts of
2 1941, as amended by Act No. 58 of the Public Acts of 1986, being

1 section 205.30 of the Michigan Compiled Laws, is amended to read
2 as follows:

3 Sec. 30. (1) The department shall credit or refund all
4 ~~overpayment~~ OVERPAYMENTS of taxes, all taxes, penalties, and
5 interest erroneously assessed and collected, and all taxes, pen-
6 alties, and interest that are found unjustly assessed, excessive
7 in amount, or wrongfully collected with interest at the rate of
8 ~~3/4 of~~ 1% per month.

9 (2) A taxpayer who paid a tax claimed not to be due may
10 petition the department for refund of the amount paid within the
11 time period specified as the statute of limitations in section
12 27a. If a tax return reflects an overpayment or credits in
13 excess of the tax, the declaration of that fact on the return
14 constitutes a claim for refund. If the department agrees the
15 claim is valid, the amount of overpayment, penalties, and inter-
16 est shall be first applied to any known liability as provided in
17 section 30a, and the excess, if any, shall be refunded to the
18 taxpayer ~~—~~ or credited, at THE taxpayer's request, against any
19 current or subsequent tax liability.

20 (3) A refund shall be certified to the state disbursing
21 authority who shall pay the amount out of the proceeds of the tax
22 in accordance with the accounting laws of the state. Interest at
23 the rate of ~~3/4 of~~ 1% per month shall be added to the refund
24 commencing 45 days after the claim is filed, or 45 days after the
25 date established by law for the filing of the return, whichever
26 is later, except that interest on refunds intercepted and applied

1 as provided in section 30a shall cease as of the date of
2 interception.

3 (4) Refunds for amounts of less than \$1.00 shall not be
4 paid.