



HOUSE BILL No. 4860

September 28, 1999, Introduced by Reps. Switalski, Spade, Woodward, Wojno, Pestka, Bovin, DeHart, Jacobs, Garza, Thomas, Schauer, Prusi, Gielegem and Lemmons and referred to the Committee on Tax Policy.

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending sections 311, 439, and 440 (MCL 206.311, 206.439, and 206.440), section 311 as amended by 1987 PA 254 and sections 439 and 440 as amended by 1996 PA 484.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 311. (1) The taxpayer on or before the due date set
2 for the filing of a return or the payment of the tax, except as
3 otherwise provided in this act, shall make out a return in the
4 form and content as prescribed by the commissioner, verify the
5 return, and transmit it, together with a remittance of the amount
6 of the tax, to the department.

7 (2) The commissioner, upon application of the taxpayer and
8 for good cause shown, may extend under prescribed conditions the
9 time for filing the annual or final return required by this act.

1 Before the original due date, the taxpayer shall remit with an
2 application for extension the estimated tax due. In computing
3 the tax due for the tax year, interest at the rate established
4 in, and penalties imposed by, section 23 of ~~Act No. 122 of the~~
5 ~~Public Acts of 1941, as amended, being section 205.23 of the~~
6 ~~Michigan Compiled Laws~~ 1941 PA 122, MCL 205.23, shall be added
7 to the amount of tax unpaid for the period of the extension. The
8 commissioner may require a tentative return and payment of an
9 estimated tax.

10 (3) Taxpayers who are husband and wife and who file a joint
11 federal income tax return pursuant to the internal revenue code
12 shall file a joint return.

13 (4) When the taxpayer has been granted an extension or
14 extensions of time within which to file a final federal return
15 for a ~~taxable~~ TAX year, the filing of a copy of the extension
16 or extensions automatically extends the due date of the final
17 return under this act for an equivalent period. The taxpayer
18 shall remit with the copy of the extension or extensions the
19 estimated tax due. In computing the tax due for the tax year,
20 interest at the rate established in, and penalties imposed by,
21 section 23 of ~~Act No. 122 of the Public Acts of 1941~~ 1941 PA
22 122, MCL 205.23, shall be added to the amount of tax unpaid for
23 the period of the extension.

24 (5) FOR THE 1999 TAX YEAR AND EACH TAX YEAR AFTER THE 1999
25 TAX YEAR, THE DEPARTMENT SHALL DEVELOP A 1040 PC ANNUAL RETURN
26 FORM AND IMPLEMENT A 1040 PC FILING OPTION. ONLY TAXPAYERS WHO
27 WERE RESIDENTS OF THIS STATE FOR THE ENTIRE TAX YEAR AND WHO

1 CLAIM NO CREDITS UNDER THIS ACT FOR A TAX YEAR ARE ELIGIBLE TO
2 FILE USING THE 1040 PC ANNUAL RETURN FORM FOR THAT TAX YEAR. THE
3 1040 PC ANNUAL RETURN FORM SHALL BE THE SIZE OF A POSTCARD AND
4 INCLUDE ONLY THE FOLLOWING ITEMS:

5 (A) THE NAME, ADDRESS, SOCIAL SECURITY NUMBER, AND SCHOOL
6 DISTRICT DESIGNATION OF THE TAXPAYER OR TAXPAYERS FILING THE
7 RETURN.

8 (B) THE TOTAL NUMBER AND THE AMOUNT OF PERSONAL AND DEPENDEN-
9 DENCY EXEMPTIONS CLAIMED BY THE TAXPAYER OR TAXPAYERS FOR THE TAX
10 YEAR. THE FORMULA AND A WORKSHEET FOR DETERMINING THE PERSONAL
11 AND DEPENDENCY EXEMPTIONS FOR TAXPAYERS THAT FILE THE 1040 PC
12 ANNUAL RETURN SHALL BE PRINTED IN THE INSTRUCTION BOOKLET FOR THE
13 ANNUAL RETURN AND NOT PRINTED ON THE RETURN.

14 (C) TOTAL ADJUSTED GROSS INCOME FROM THE TAXPAYER'S OR
15 TAXPAYERS' FEDERAL ANNUAL RETURN.

16 (D) TAXABLE INCOME.

17 (E) THE INCOME TAX RATE AND MULTIPLIER.

18 (F) THE TAX DUE.

19 (G) THE AMOUNT OF TAX WITHHELD.

20 (H) THE AMOUNT OF TAX DUE OR PAYABLE. THERE SHALL BE ONLY 1
21 LINE ON THE 1040 PC ANNUAL RETURN FORM TO DESIGNATE THE AMOUNTS
22 UNDER THIS SUBDIVISION.

23 (I) A SIGNATURE, DATE, AND DECLARATION THAT THE INFORMATION
24 PROVIDED IS TRUE AND COMPLETE. THE INFORMATION REQUIRED UNDER
25 THIS SUBDIVISION SHALL BE ON NO MORE THAN 2 LINES.

26 Sec. 439. (1) Until the state treasurer certifies that the
27 assets in the nongame fish and wildlife trust fund created in the

1 nongame fish and wildlife trust fund act exceed \$6,000,000.00, a
2 taxpayer may designate on his or her annual return that a contri-
3 bution of \$2.00 or more of his or her refund be credited to the
4 state of Michigan nongame fish and wildlife trust fund created in
5 part 439 ~~(nongame fish and wildlife trust fund)~~ of the natural
6 resources and environmental protection act, ~~Act No. 451 of the~~
7 ~~Public Acts of 1994, being sections 324.43901 to 324.43907 of the~~
8 ~~Michigan Compiled Laws~~ 1994 PA 451, MCL 324.43901 TO 324.43907.
9 If a taxpayer's refund is not sufficient to make a contribution
10 under this section, the taxpayer may designate a contribution
11 amount and that contribution amount shall be added to the
12 taxpayer's tax liability for the tax year.

13 (2) The contribution designation authorized in this section
14 shall be clearly and unambiguously printed on the first page of
15 all state individual income tax return forms, if practicable,
16 EXCEPT THE CONTRIBUTION DESIGNATION SHALL NOT BE PRINTED ON THE
17 1040 PC ANNUAL RETURN PROVIDED FOR UNDER SECTION 311(5).

18 (3) Notwithstanding the other allocations and disbursements
19 required by this act, an amount equal to the cumulative designa-
20 tions made under this section, less the amount appropriated to
21 the department of treasury for the purpose of implementing this
22 section, shall be deposited in the state of Michigan nongame fish
23 and wildlife trust fund and shall be appropriated solely for the
24 purposes of the fund.

25 Sec. 440. (1) Effective for the tax year beginning January
26 1, 1982 and until the state treasurer certifies that the assets
27 in the children's trust fund exceed \$20,000,000.00, an individual

1 may designate on his or her annual return that a contribution of
2 \$2.00 or more of his or her refund be credited to the children's
3 trust fund. If a taxpayer's refund is not sufficient to make a
4 contribution under this section, the taxpayer may designate a
5 contribution amount and that contribution amount shall be added
6 to the taxpayer's tax liability for the tax year.

7 (2) The contribution designation authorized in this section
8 shall be clearly and unambiguously printed on the first page of
9 the state individual income tax return BUT SHALL NOT BE PRINTED
10 ON THE 1040 PC ANNUAL RETURN PROVIDED FOR UNDER SECTION 311(5).