

# HOUSE BILL No. 5330

October 23, 2001, Introduced by Reps. Cassis, Woronchak, Vear, Gosselin, Drolet, Richardville and Bob Brown and referred to the Committee on Tax Policy.

A bill to amend 1941 PA 122, entitled

"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 regulate the importation, stamping, and disposition of certain tobacco products; 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 prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; to prescribe penalties and provide remedies; and to declare the effect of this act,"

by amending section 3 (MCL 205.3), as amended by 1986 PA 58.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 3. The commissioner shall have all the powers and  
2 perform the duties formerly vested in ~~any~~ A department, board,

1 commission, or other agency, in connection with taxes due to or  
2 claimed by ~~the~~ THIS state and in connection with unpaid  
3 accounts or amounts due to ~~the~~ THIS state or any of its depart-  
4 ments, institutions, or agencies ~~which~~ THAT may be made payable  
5 to or collectible by the department created by this act. ~~, and~~  
6 IN ADDITION, THE COMMISSIONER HAS the power and authority inci-  
7 dental to the performance of ALL the following acts, duties, and  
8 services:

9       (a) The commissioner or ~~any of the~~ A duly appointed  
10 ~~agents~~ AGENT of the commissioner may examine the books,  
11 records, and papers touching the matter at issue of any person or  
12 taxpayer subject to any tax, unpaid account, or amount the col-  
13 lection of which is charged to the department. The commissioner  
14 or ~~any of the~~ A duly appointed ~~agents~~ AGENT of the commis-  
15 sioner may issue a subpoena requiring a person to appear and be  
16 examined with reference to a matter within the scope of the  
17 inquiry or investigation being conducted by the department and to  
18 produce any books, records, or papers. The commissioner or ~~any~~  
19 ~~of the~~ A duly appointed ~~agents~~ AGENT, ~~referees~~ REFEREE, or  
20 ~~examiners~~ EXAMINER of the commissioner, may administer an oath  
21 to a witness in any matter before the department. The department  
22 may invoke the aid of the circuit court of this state in requir-  
23 ing the attendance and testimony of witnesses and the producing  
24 of books, papers, and documents. The circuit court of ~~the~~ THIS  
25 state within the jurisdiction of which an inquiry is carried on,  
26 in case of contumacy or refusal to obey a subpoena, may issue an  
27 order requiring the person to appear before the department and

1 produce books, ~~and~~ papers, AND DOCUMENTS if so ordered and any  
2 evidence touching the matter in question, and failure to obey the  
3 order of the court may be punished by the court as a contempt. A  
4 person shall not be excused from testifying or from producing any  
5 books, papers, records, or memoranda in any investigation, or  
6 upon any hearing when ordered to do so by the commissioner, upon  
7 the ground that the testimony or evidence, documentary or other-  
8 wise, may tend to incriminate or subject him or her to a criminal  
9 penalty, however, a person shall not be prosecuted or subjected  
10 to any criminal penalty for or on account of any transaction made  
11 or thing concerning which he or she may testify or produce evi-  
12 dence, documentary or otherwise, before the ~~board~~ COMMISSIONER  
13 or ~~its~~ HIS OR HER agent. A person ~~so~~ testifying ~~shall~~ IS  
14 not ~~be~~ exempt from prosecution and punishment for perjury com-  
15 mitted while testifying.

16 (b) After reasonable notice and public hearing, ~~to~~ THE  
17 COMMISSIONER MAY promulgate rules consistent with this act in  
18 accordance with ~~Act No. 306 of the Public Acts of 1969, as~~  
19 ~~amended, being sections 24.201 to 24.328 of the Michigan Compiled~~  
20 ~~Laws~~ THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL  
21 24.201 TO 24.328, as may be necessary to the enforcement of the  
22 provisions of tax and other revenue measures ~~which~~ THAT are  
23 administered by the commissioner.

24 (c) ~~Consult~~ THE COMMISSIONER MAY CONSULT with the governor  
25 and the legislature ~~upon~~ ON the subject of taxation, revenue,  
26 and the administration of the laws in relation to taxation and  
27 revenue, and the progress of the work of the department,

1 including the furnishing of reports, information, and other  
2 assistance as the governor may require.

3       (d) ~~Investigate~~ THE COMMISSIONER MAY INVESTIGATE and study  
4 all matters of taxation and revenue as the basis of recommending  
5 to the governor and the legislature those changes and alterations  
6 in the tax laws of ~~the~~ THIS state, ~~as~~ THAT in the  
7 commissioner's judgment may bring about a more adequate and just  
8 system of state and local taxation.

9       (e) ~~Formulate~~ THE COMMISSIONER MAY FORMULATE a standard  
10 procedure ~~whereby~~ THAT REQUIRES the departments, commissions,  
11 boards, institutions, and the agencies of ~~the~~ THIS state  
12 ~~which~~ THAT collect taxes, fees, or accounts for ~~the~~ THIS  
13 state ~~shall~~ TO report all sums of money due and uncollected and  
14 those uncollected items ~~as may be~~ prescribed by law and by the  
15 commissioner. The procedure prescribed in this subdivision shall  
16 include a standard practice for receiving, receipting, safeguard-  
17 ing, and periodically reporting all state revenue receipts,  
18 whether current, delinquent, penalty, interest, or otherwise, and  
19 the amounts, kinds, and terms of items either collected, com-  
20 promised, or still outstanding, to be summarized, studied, and  
21 reported upon as the commissioner considers advisable.

22       (f) The ~~department~~ COMMISSIONER may periodically issue  
23 bulletins that index and explain current department interpreta-  
24 tions of current state tax laws. A BULLETIN OR LETTER RULING  
25 ISSUED BY THE COMMISSIONER SHALL BE PUBLISHED AND MADE AVAILABLE  
26 TO THE PUBLIC IN PRINTED AND ELECTRONIC FORMATS. The department  
27 may charge a reasonable fee for subscriptions to this service not

1 to exceed the cost of ~~printing~~ PUBLISHING. The money received  
2 from the sale of ~~such~~ A subscription shall revert to the  
3 department and be placed in the taxation manual revolving fund.