

Legislative Update

Michigan Business Tax

There are currently over 40 bills that have been introduced in an effort to repeal and revise the MBT. These are the most aggressive and pertinent.

SB 69 - Increase the maximum earnings cap and executive compensation cap that limit certain a firm's eligibility for the lower Michigan Business Tax small business rate, extend an MBT "entrepreneurial tax credit" beyond 2010, and increase the value of that credit.

HB 4126 - Repeal the [21.99 percent Michigan Business Tax surcharge](#) imposed on businesses as part of a \$1.4 billion tax hike passed in 2007, and repeal certain tax credits against the surcharge authorized subsequent to it which benefit particular interests.

SB 123 - Refine the definitions of "purchases from other firms" for purposes of calculating a business's liability under the modified gross receipts tax component of the Michigan Business tax. The bill adds language stating that these excludable purchases include services purchased directly related to business activity, but excluding services performed by an employee or a subcontractor that are included in a construction project for which payments have been already excluded from gross receipts.

HB 4134 - Establish that "purchases from other firms," which are excluded from the base used in calculating taxable gross receipts under the Michigan Business Tax, include rented or leased assets which are depreciable under federal tax law.

SB 1 - reduce the [21.99 percent Michigan Business Tax surcharge](#) (imposed on businesses as part of a \$1.4 billion tax hike passed in 2007 to avoid government spending reductions) to 11 percent in 2009, and end it after that, except for financial institutions (Jansen)

HB 1003 - Index to inflation the gross receipts threshold at which a small business Michigan Business Tax credit begins to phase out, the maximum income the proprietor or shareholder of a small business can receive from the firm in one year without removing the firm's eligibility for the credit, and other factors that limit this credit (Calley)

HB 4165 - Reduce the 21.99 percent Michigan Business Tax surcharge imposed on businesses as part of a \$1.4 billion tax hike passed in 2007 to avoid government spending reductions) to 11 percent in 2009, and end it after that, except for financial institutions (P. Scott)

HB4496 - Revises Michigan Business Tax (MBT). Provides relief for fines and penalties of estimated payments during transition period, yet to be determined (Roberts)

MIOSHA Ergonomics Initiative: UPDATE!

In early 2009, MIOSHA introduced an ergonomics safety initiative to for Michigan Employers that would have the following:

- Required written ergonomics plan
- Employee training for recognizing "ergonomic hazards"
- Written proof of training to the state department
- Required repeat of training with each and every new hire
- Fines and citations for not meeting all requirements
- Fines and citations for not performing a "top-quality" training

Since the launch of the initiative, there has been no further action taken. The next step in making these mandates reality would be the scheduling of public hearings. To date, none have been scheduled. Please keep your eyes open for news regarding this program. **Thank you to all those members who have contacted state law makers and assisted in staling this unnecessary program.**

Card Check Legislation and Healthy Families Act: FEDERAL SPOTLIGHT

Card Check - The bill that would make it easier to unionize by eliminating a company's ability to demand a secret ballot and lowering the minimum number of employees is stuck. There are many compromised versions of the bill being introduced, but none seem to spark the interest of sponsoring legislators. For now it looks like the bill will sit still.

Healthy Families Act - The legislation that requires any full-time employee (30+ hrs.) have access to 7 days of paid sick time—at their leisure, and without physician documentation—is also at a stand still for now. We will continue to monitor this legislation for you.

Paycheck Fairness Act - This legislation is an initiative, first introduced by Sen. Clinton, and recently readdressed in an effort to help guarantee women fairness in pay as well as protect those women seeking information on the salaries of their male counterparts.

We're watching all this legislation and much more for you, but please do your part and contact your elected officials to make your voice known. [Click HERE to find your elected officials.](#)