



September 24, 2018

The Honorable Jim Tedder and Members, House Committee on Tax Policy
Michigan House of Representatives
Post Office Box 30014
Lansing, Michigan 48909-7514

Dear esteemed committee members:

The Michigan Association of Certified Public Accountants (MICPA) is comprised of more than 18,000 members – representing every corner of Michigan’s economic marketplace. Likely the most diverse professional association in Michigan, the MICPA takes an official position on only a limited number of non-occupational issues of importance to the accounting profession and the public. Most tax policy proposals do not qualify. This affords the MICPA the unique ability to provide independent, objective technical observation and analysis.

It is under the umbrella of clarity in tax statutes that the MICPA wishes to call your attention to problematic language that remains within Chapter 13 of the *Income Tax Act*. As you’re more than aware, a legislative effort is currently underway to amend these two statutes in the form of Senate Bills 361 and 362 sponsored by Senator Darwin Booher. While the MICPA takes no official position with regard to the specific legislative proposals, the revised definitions of capital, or the revision of the apportionment formula, we are asking for clarity upon which all taxpayers can rely. This proposed legislation appears to be effective as one of the potential alternatives for clarifying these ambiguities. To that end, we encourage leadership of both chambers to consider these bills.

Thank you for the opportunity to provide this observation. If we can provide you with further information or answer any questions regarding the content of this letter, or if we can be of assistance to you in any other way, please contact MICPA Senior Director of Government Relations Shane Barry at 248.267.3710 or sbarry@micpa.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Shane Barry", is written over a light blue horizontal line.

Shane Barry
Senior Director of Government Relations
MICPA

Cc: John D. Lindley, Public Affairs Associates