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Treasury Shoots for November 1 Target on MBT Forms

The Department of Treasury has set a November 1 target date to have all of its forms and instructions completed on the Michigan Business Tax (MBT), a new tax that lawmakers agreed to create 14 months ago ([See "New Business Tax Deal Reached," 6/13/07](#)).

Does that seem like an extraordinary amount of time to create a form? The chair of the Senate Finance Committee, Senator Nancy **Cassis** (R-Novi) said she thinks it may be and wants to get to the bottom of it.

Treasury Spokesman Terry **Stanton** said the Department has made it clear over the last several weeks that November 1 is the target date to get together the final paperwork businesses will be asked to fill out when filing its Michigan business taxes. "We are working as quickly as we can," Stanton said. "To those outside the department, it may seem like this would be something you could turn around quickly, but it's a massive time-consuming, resource draining effort."

Treasury asked lawmakers to give it at least a six-month lead time to implement any replacement to the old Single Business Tax (SBT), which was spiked in 2006. The Legislature did that, but Stanton said that after a draft copy of the forms and instructions were developed, staff needed to be trained so that everyone had a common understanding of what "line 14", for example, means.

The forms and instructions need to be flyspecked for errors. The department's entire technology system needed to be redone. All the while, Treasury still must process those SBT forms that are still trickling into the department.

Cassis said that 14 months after reaching an agreement on the MBT, it would seem the Treasury would be able to give businesses the forms and instructions they need to complete their state business tax form. "We gave them over \$10 million to proceed and that was a year ago," she said. "We have businesses telling us that they still don't have guidelines."

Cassis said she'd like to find out information on the time it's taken to prepare the tax forms as part of at least one public hearing on the MBT.