

MI Chamber Of Commerce Opposition to MBT (6-28-07)

"Tricia Kinley" <tkinley@michamber.com> 6/28/2007 3:28 PM >>>

To: Members of the Michigan House & Senate

From: Tricia Kinley, Michigan Chamber of Commerce

As you are about to vote on legislation to replace the Single Business Tax (SB 94), we would like to inform you of the position of the Michigan Chamber of Commerce on this issue. Attached below is statement in reaction to the Conference Committee report. Please let me, or Rich Studley, know if you have any questions by calling (517) 371-2100.

Michigan Chamber of Commerce Statement on Single Business Tax Replacement - June 28, 2007

The Michigan Chamber appreciates the effort by Legislators and the Administration to provide meaningful personal property tax relief; incentives for companies who create jobs and locate property in Michigan; and fair treatment of businesses organized as partnerships.

At the same time, we seriously doubt this legislation is revenue neutral. The proposed alternative is not simple, and will be difficult to comply with. We are also very concerned with the overly aggressive approach to taxing companies that will undoubtedly lead to unnecessary litigation, and we have found numerous examples of "back-door" tax increases.

Michigan Chamber members have identified over 35 problem areas that include: overly broad tax base definitions, the absence of key provisions that eliminate double taxation of income, provisions that contradict federal tax law and circumvent court decisions, and overly aggressive tax jurisdiction policies that will invite costly and unnecessary litigation against the state.

The Michigan Chamber is opposed to the proposed replacement for the Single Business Tax.