



Echelbarger, Himebaugh, Tamm & Co., P.C. STATE AND LOCAL TAX NEWSLETTER

Business Strategists & Certified Public Accountants

2008-2

The power to make a difference.

The people to make it count.

5136 Cascade Rd. SE #2A • Grand Rapids, MI 49546 • Phone: 616-575-3482 • Fax: 616-575-3481



An Invitation to Subscribe to My Blog: www.MichiganStateAndLocalTax.com

GRAND RAPIDS, MI – Monday, January 21, 2008 – Within the next few weeks, everyone receiving the Echelbarger, Himebaugh, Tamm & Co., P.C. - STATE AND LOCAL TAX NEWSLETTER, sent on a weekly basis will be invited to subscribe to Ed Kisscorni's Blog which can accessed at www.MichiganStateAndLocalTax.com

[Ed Kisscorni,](#)
[CPA/MBA](#)

edk@ehtc.com

[Ed's Blog](#)
www.MichiganStateandLocalTax.com

[EHTC STATE
AND LOCAL TAX
SERVICES](#)

[INCOME &
FRANCHISE TAX](#)

[Tax
Minimization
Studies](#)

[Business
Structure
Reviews](#)

[Allocation and
Apportionment
Planning](#)

[Combined,
Consolidated, &
Unitary Planning](#)

[Nexus Studies](#)

[Amended State
Tax Returns
from IRS Audits](#)

[Single Business
Tax Training](#)

[SALES & USE
TAX](#)

[Reverse Audits](#)

[Compliance](#)

Since the initial post on September 10, 2007, the Blog has had over 20,000 hits. Unlike the newsletter which is sent on a weekly basis and covers topics in more detail; the Blog is posted as news events warrant; usually about ten posts each month. The Blog also provides opportunity to comment and respond back on state and local tax issues.

When you receive the opportunity to subscribe to the Blog, click the button to start receiving by email timely posts on state and local tax issues in Michigan.

Below is a listing of 37 Blog posts dating back to September 10th which can be accessed at:
www.MichiganStateAndLocalTax.com

1. MBT Born on January 1, 2008: With the new year the Michigan business community has a new business tax - [Wednesday, January 2, 2008](#)
2. Treasury Issues REVENUE ADMINISTRATIVE BULLETIN 2007-6 Michigan Business Tax – "Actively Solicits" Defined - [Monday, December 31, 2007](#)
3. Treasury Issues REVENUE ADMINISTRATIVE BULLETIN 2007-5 Single Business Tax – Final Return of Fiscal year Taxpayer - [Saturday, December 29, 2007](#)
4. Michigan Treasury Rejects Use Tax Registrations - [Wednesday, December 26, 2007](#)
5. Two Major Michigan Business Groups Oppose MBT Surcharge - [Monday, December 17, 2007](#)
6. Revenue Limits in the Michigan Business Tax Changed by PA 145 of 2007 - [Wednesday, December 5, 2007](#)
7. Special Industry Provisions Creep Into The Michigan Business Tax- [Tuesday, December 4, 2007](#)
8. Major Problem In The Michigan Business Tax Corrected - [Monday, December 3, 2007](#)
9. Use Tax on Services is repealed: Senate Bill 845 provides Guidance in the Event the Use Tax was Collected Prior to the Repeal - [Monday, December 3, 2007](#)
10. Use Tax on Services repealed – Revenue Replaced by MBT Surcharge - [Sunday, December 2, 2007](#)
11. Michigan's Use Tax on Services Is Going Down Fighting - [Friday, November 30, 2007](#)
12. MBT May Result in a Change in State Residency - [Wednesday, November 28, 2007](#)
13. Michigan Senate Moves to Eliminate the Use Tax on Services But Fall Short of Replacing All of the Revenue Expected to be Raised by the Tax on Services - [Tuesday, November 20, 2007](#)
14. Legislature Meets Tuesday to Debate the Use Tax on Services - [Tuesday, November 20, 2007](#)
15. Treasury Provides MBT Resources - [Tuesday, November 20, 2007](#)
16. What Should I Do With My Employee Leasing Company - [Tuesday, November 13, 2007](#)
17. Will the Michigan Use Tax on Services be Eliminated and When? - [Monday, November 12, 2007](#)
18. Michigan Senate and House Both repeal the Use Tax on Services - [Friday, November 9,](#)

[System Review](#)

[Direct Pay & Compliance Agreements](#)

[Exemption Certificate Documentation](#)

[Industrial Processing / Manufacturing Exemption Utility Studies](#)

[Nexus Studies](#)

[Sales & Use Tax Training](#)

[Transportation Company](#)

[Procurement Company](#)

[PROPERTY \(AD VOLOREM\) TAX](#)

[Real Property Tax Reviews](#)

[Personal Property Tax Reviews](#)

[TAX AUDIT & APPEALS](#)

[Sales & Use Tax Audit Defense & Appeals](#)

[Single Business Tax Audit Defense & Appeals](#)

[Property Tax Audit Defense & Appeals](#)

[State and Local Tax Litigation Support](#)

[Merger & Acquisition Due Diligence Reviews](#)

[Voluntary Disclosure](#)

[BUSINESS INCENTIVE SERVICES](#)

[Business Relocation & Expansion](#)

2007

19. Michigan Tax Conference Starts on Wednesday - [Tuesday, November 6, 2007](#)
20. Efforts to Repeal the New Use Tax on Services Gains Momentum - [Monday, November 5, 2007](#)
21. Michigan Treasury Launches a Website to Provide Information on the Use Tax on Services - [Tuesday, October 30, 2007](#)
22. My Blog is Complete - [Sunday, October 28, 2007](#)
23. Michigan Business Tax Definitions of Business Activity and Person - [Tuesday, October 23, 2007](#)
24. Michigan Use Tax on Services to have a "Physical Presence" Nexus Standard - [Sunday, October 21, 2007](#)
25. Michigan Use Tax on Services: Taxable Services Included with Otherwise Non Taxable Services - [Thursday, October 18, 2007](#)
26. Michigan Use Tax Exemptions to apply to the Use Tax Imposed on Services - [Wednesday, October 17, 2007](#)
27. Michigan Use Tax on Services will be Sourced based on Where and When the First Use of the Service Occurs - [Tuesday, October 16, 2007](#)
28. Michigan Use Tax on Services will be Taxed in the Same Manner as the Sales Tax - [Monday, October 15, 2007](#)
29. Michigan Use Tax on Services under Attack - [Friday, October 12, 2007](#)
30. Michigan Legislature Imposes Significant Taxes on Services - [Tuesday, October 2, 2007](#)
31. MBT: How Does a Fiscal Year Taxpayer File Their Tax return? - [Wednesday, September 19, 2007](#)
32. MBT: Severability Provision - [Monday, September 17, 2007](#)
33. MBT: Annual Return, Payments and Extensions - [Friday, September 14, 2007](#)
34. MBT: Revenue Limit - [Thursday, September 13, 2007](#)
35. MBT: Penalty, Interest, Information Returns and Administrative Rules - [Wednesday, September 12, 2007](#)
36. MBT: Short Period Returns/Amended Returns - [Tuesday, September 11, 2007](#)
37. MBT: Estimated Returns and Payments - [Monday, September 10, 2007](#)

Future posts to My Blog will discuss thirty issues with the MBT. Seventy years ago, sociologist Robert Merton popularized what has come to be known as the law of unforeseen consequences resulting from the world's inherent complexity, perverse incentives, human stupidity, self-deception or other cognitive or emotional biases. (From the Warner Norcross & Judd Estate Planning Focus by Jeffrey Power).

The factors listed above were at work in combination with special interest groups, lobbyists, a weak economy and a naive term limited legislature. The net result is the Michigan Business Tax Act (MBTA), the most complicated piece of state tax legislation in this country and maybe in the world. The Michigan Business Tax (MBT) which started on January 1, 2008 is loaded with issues that tax practitioners, CPAs and Attorneys have characterized as unforeseen consequences.

Please stay tuned for more news and follow the [MichiganStateAndLocalTax Blog](#) for information as it becomes available.

If you have questions please feel free to contact me. I would be happy to be of assistance.

Sincerely,

Ed Kisscorni, CPA/MBA



Echelbarger, Himebaugh, Tamm & Co., P.C.
5136 Cascade Rd. SE #2A
Grand Rapids, MI 49546

Services

Tax Credits,
Exemptions, &
Abatements

(616)575-3482 / ehhc@ehhc.com / www.ehhc.com/

www.MichiganStateandLocalTax.com

Grants, Financing,
& Infrastructure
Assistance

Notice:

To ensure compliance with Treasury Department regulations, we inform you that any tax advice that may be contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

The contents of this email and any attachments to it contain privileged and confidential information from Echelbarger, Himebaugh, Tamm & Co., P.C. This information is only for the viewing or use of the intended recipient. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of, or the taking of any action in reliance upon, the information contained in this email, or any of the attachments to this email, is strictly prohibited and that this email and all of the attachments to this email, if any, must be immediately returned to Echelbarger, Himebaugh, Tamm & Co., P.C. or destroyed and, in either case, this email and all attachments to this email must be immediately deleted from your computer without making any copies hereof. If you have received this email in error, please notify Echelbarger, Himebaugh, Tamm & Co., P.C. by email immediately.