

Taylor Thrush

From: Michael Hignite <michael.hignite@flintgrp.com>
Sent: Tuesday, March 12, 2019 11:46 AM
To: Rep. Lynn Afendoulis (District 73); Rep. Jason Sheppard (District 56); Rep. Michael Webber (District 45); Rep. Kevin Coleman (District 16); Rep. Ann Bollin (District 42)
Cc: Taylor Thrush; senltheis@senate.michigan.gov
Subject: Corporate Income Tax Certificated Credits - HB 4189, 4190, 4191

I write to urge you to consider an alternative to these bills dealing with certificated credits.

My main complaint is the expense and confusion required by maintaining two different tax schemes: MBT and CT. Allowing this duo-filing process requires Treasury to maintain an audit staff familiar with MBT, programming to support the MBT, added confusion and complexity for the processing staff, etc. Companies must hire expertise in preparing this as well.

The federal tax has done something similar by removing the AMT for businesses, which has been roundly applauded for simplifying tax filings, and reducing costs and compliance controversies.

I realize that we don't want to eliminate the credit for those companies who have earned it. That's bad precedence, and is unfair. However, I see no problem by discounting the benefit the credit gives to the MBT tax, and making it equivalent to an equal ratio benefit credit against the CT. Doing this continues the benefit to which the companies are entitled, and adds the benefit of reducing Treasury costs dedicated to the obsolete parallel MBT, so that resources can be better used elsewhere.

Thank you for your time and consideration.

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I write this as an individual citizen, and not as a representative of my employer (who will not benefit from this change, by the way).

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