



Michigan Tax

The needs and circumstances of every business differ. However, one thing is certain – careful tax planning reduces the possibility of tax disputes and saves tax dollars. Foster Swift has developed a team of dedicated attorneys, known as the State and Local Tax Practice Group to help clients resolve their Michigan tax issues, including:

- **Choice of Entity.** Selecting the proper entity is vitally important for individuals starting or restructuring a business. This decision can have wide-ranging tax consequence under both federal and Michigan law. Our group routinely counsels clients on the most advantageous entity type for their business.
- **Corporate Income Tax.** Michigan eliminated both the Single Business Tax (SBT) and the Michigan Business Tax (MBT) and instituted the Michigan Corporate Income Tax (CIT). Business leaders who understand the CIT can easily structure their organization and operations to substantially reduce their Michigan tax liability. Our tax group regularly engages in tax planning with in-state, out-of-state and multi-state clients to help capture tax-savings relating to the CIT. We also continue to advise clients in SBT and MBT issues for prior years.
- **Sales and Use Taxes.** Foster Swift's tax group works with clients to plan and craft strategies to reduce sales and use tax liability as well as minimize the likelihood of disputes. Michigan businesses frequently encounter sales and use tax issues when they purchase new equipment, sell or buy products on the Internet or acquire the assets of a competitor. Our firm also represents individuals who are faced with "corporate officer liability" to help them reduce or avoid the taxes that they owe. If a client does encounter a sales or use tax dispute, then we have the expertise to efficiently and effectively resolve it.
- **Business Transactions.** Many business transactions have Michigan tax implications, although they are often overlooked. Foster Swift's tax attorneys have advised a variety of clients regarding the Michigan tax consequences of many transactions, including mergers, acquisitions, reorganizations, liquidations, intracompany transactions, joint ventures and other contractual relationships, employee benefit and executive compensation arrangements, settlements, estate planning and countless others.

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- **Withholding and Payroll.** Any business with employees must comply with the State of Michigan's payroll requirements, including the requirement to withhold Michigan income and unemployment taxes. Failure to comply with these requirements is a common and costly mistake made by many businesses. Officers and certain other persons may be held personally liable for unpaid Michigan withholding and payroll taxes, even if the business has been dissolved or filed bankruptcy. Foster Swift's tax attorneys guide businesses through the intricacies of Michigan's withholding and payroll requirements and represent their interests during audits and appeals.

PUBLICATIONS & ALERTS

Municipality Wind Turbine Tax Revenue at Risk as Utilities Continue to Press Tax Appeals, *Municipal Law News*, October 12, 2021

A Transfer Tax Exemption for the Sale of Certain Principal Residences, *Foster Swift Finance, Real Estate & Bankruptcy Law News*, August 20, 2019

The Post-Wayfair Future of SALT Controversies: The Due Process Clause, *Michigan Association of Certified Public Accountants (MICPA)*, July 17, 2018

Just the Beginning: Click-Through Nexus after Wayfair, *Michigan Association of Certified Public Accountants (MICPA)*, July 10, 2018

Is Your Business Exempt from Personal Property Tax?, *Foster Swift Business & Corporate Law Report*, December 2, 2014

State Tax Commission Update, *Foster Swift Municipal Law News*, October 2008

EVENTS

All The Updates You Need For Michigan Property Taxes, *Michigan Association of Certified Public Accountants (MICPA)*, November 3, 2022

How the Inflation Reduction Act Impacts Farmers, *Iowa State University*, October 13, 2022

Will Your Commercial Clients Appeal MI Property Tax Assessments?, *MICPA: Michigan Tax Conference 2021*, November 3, 2021

The Practicalities in Property Tax, *MICPA: Michigan Tax Conference*, November 7, 2019

Troubleshooting Sales Tax Nexus Post-Wayfair, *Michigan Association of Certified Public Accountants (MICPA)*, June 6, 2019

Growth Beyond Tax Reform for Agribusinesses, *MICPA: CPE Mega Conference/Agribusiness Conference*, October 30, 2018

WEBINAR: Property Tax Exemptions: What Every Assessor Needs to Know Webinar, September 20, 2017