

Income/Franchise:

Michigan: New Law Addresses How and When Some Partnerships Must Report Federal Tax Adjustments

S.B. 248, signed by gov. 7/19/22. Applicable retroactively to tax years beginning on and after January 1, 2018, new law addresses how and when some partnerships must report federal tax adjustments to the Michigan Department of Treasury (Department) in response to changes in the federal partnership audit and adjustment process under the federal 2015 Bipartisan Budget Act. The new law mandates partnerships and partners to report final federal adjustments arising from a partnership level audit or an administrative adjustment request and to make payments as required, and it provides that if a taxpayer files a federal adjustments report or an amended return with the Department within the specified time period, the Department may *not* assess additional tax, interest, and penalties after the expiration of the limitations period. Please contact us with any questions.

URL: [https://www.legislature.mi.gov/\(S\(smgyvoq1tnmxyjzrchr2jvo\)\)/mileg.aspx?page=getObject&objectName=2021-SB-0248](https://www.legislature.mi.gov/(S(smgyvoq1tnmxyjzrchr2jvo))/mileg.aspx?page=getObject&objectName=2021-SB-0248)

— Pat Fitzgerald (Detroit)
Managing Director
Deloitte Tax LLP
pfitzgerald@deloitte.com

Stephanie LaFave (Detroit)
Senior Manager
Deloitte Tax LLP
slafave@deloitte.com

Roburt Waldow (Minneapolis)
Principal
Deloitte Tax LLP
rwaldow@deloitte.com

Gregory Bergmann (Chicago)
Partner
Deloitte Tax LLP
gbergmann@deloitte.com

Shirley Wei (Los Angeles)
Senior Manager
Deloitte Tax LLP
shiwei@deloitte.com

Olivia Schulte (Washington, DC)
Manager
Deloitte Tax LLP
oschulte@deloitte.com

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