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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ROBERT J. KLEINE
STATE TREASURER

2010 PA 38 ENACTED

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**RESCINDED: NOTICE TO TAXPAYERS REGARDING
KMART MICHIGAN PROPERTY SERVICES LLC v DEPT OF TREASURY,
THE SINGLE BUSINESS TAX, RAB 1999-9, AND RAB 2000-5**

2010 PA 38 was signed into law on March 31, 2010. 2010 PA 38 is "curative, shall be retroactively applied, and is intended to correct any misinterpretation concerning the treatment of an entity disregarded for federal income tax purposes . . . under [the SBT] that may have been caused by the [*Kmart* decision]."¹ In other words, 2010 PA 38 reinstates the law governing disregarded entities under the SBT in effect prior to *Kmart*.

Therefore, the Department rescinds *Notice to Taxpayer Regarding Kmart Michigan Property Services LLC v Dep't of Treasury, the Single Business Tax, RAB 1999-9, and RAB 2000-5*. Furthermore, the Department concludes that RAB 1999-9 and RAB 2000-5 reflect the correct interpretation of the law regarding the treatment of disregarded entities under the SBT. Returns, assessments, refunds, and voluntary disclosure agreements involving disregarded entities will be administered consistent with 2010 PA 38, RAB 1999-9, and RAB 2000-5.

This Notice was issued on April 12, 2010.

¹ 2010 PA 38, enacting section 1.