

## Income/Franchise:

### Michigan Court of Appeals Affirms that Audit Did Not Extend Statute of Limitations on Late Unitary Filing

*Case No. 364415*, Mich. Ct. App. (11/30/23). In an unpublished opinion, the Michigan Court of Appeals (Court) recently affirmed that a Michigan Business Tax (MBT) audit of tax returns of single entity taxpayers that were later included in an untimely unitary business group (UBG) return filing did not extend the statute of limitations for the UBG to request a refund; accordingly, the UBG's 2008 and 2009 MBT returns filed in October 2014 were deemed untimely and the underlying refund claims were denied. In doing so, the Court agreed with the Michigan Court of Claims that any extension of the statute of limitations from desk audits of the single entity taxpayers did not, in fact, apply to the UBG because the entities and the UBG are different taxpayers – reasoning that an extension afforded to one taxpayer (or, in this case, two taxpayers) simply cannot be transferred to a different taxpayer. Please contact us with any questions.

**URL:** [https://www.courts.michigan.gov/siteassets/case-documents/uploads/OPINIONS/FINAL/COA/20231130\\_C364415\\_25\\_364415.OPN.PDF](https://www.courts.michigan.gov/siteassets/case-documents/uploads/OPINIONS/FINAL/COA/20231130_C364415_25_364415.OPN.PDF)

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