

## Income/Franchise:

### Michigan Department of Treasury Clarifies that Cryptocurrency Can't Be Used to Pay Detroit Income Taxes

*Notice: No Changes to City Income Tax Payments as Detroit Explores Cryptocurrency for Property Taxes*, Mich. Dept. of Treasury (11/20/24). Referencing the City of Detroit, Michigan (City) Office of the Treasury's recent news release announcing that by mid-2025, City residents will "have the option to pay taxes and other city fees using cryptocurrency through a secure platform" [see *News: Detroit to become largest city in US to accept cryptocurrency payments for taxes, other fees*, City of Detroit, Mich. Off. of the Treasury (11/7/24), and *State Tax Matters*, Issue 2024-46, for more details on this recent announcement], the Michigan Department of Treasury (Treasury) clarifies that at this time, there is no change to City of Detroit income tax payments "which is paid to the Michigan Department of Treasury and must be made in US currency." In doing so, Treasury notes that Michigan's "City Income Tax Act" allows Michigan cities to enter into agreements with Treasury to administer their respective city's income tax, and that in 2016, Treasury began processing the City of Detroit's income tax returns. The release also notes that, currently, "Treasury receives all returns and payments for City of Detroit individual income tax, employer withholding tax, corporate income tax, partnership tax, and fiduciary income taxes." Lastly, the release clarifies that pursuant to the City's recent announcement about cryptocurrency, the City "will begin accepting cryptocurrency for current year property tax payments" by mid-2025. Please contact us with any questions.

**URL:** <https://www.michigan.gov/treasury/reference/taxpayer-notice/no-changes-to-city-income-tax-payments-as-detroit-explores-cryptocurrency-for-property-taxes>

**URL:** <https://detroitmi.gov/news/detroit-become-largest-city-us-accept-cryptocurrency-payments-taxes-other-fees#:~:text=%E2%80%9CThe%20Treasurer's%20Office%20is%20committed,service%20and%20benefit%20city%20residents.>

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2024/STM/241115\\_1.html](https://dhub.deloitte.com/Newsletters/Tax/2024/STM/241115_1.html)

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