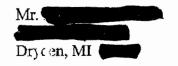


JENNIFER M. SRANHOLM GOVEF 1 OR

JAY B. RISING STATE TREASURER

September 28, 2005



Re: SS# **IIT-MATCH PROJECTS** Return Processing Division

Dear Mr.

This is in response to your letter concerning our Notice of Proposed Income Tax Adjustments for tax years 1998 and 2001 dated August 10, 2005.

The Internal Revenue Service (IRS) reported (under authority of the Internal Revenue Code, Section 6103[d]) that they had no record of receiving income tax returns from you for 1998 and 2001. A review of our records indicated that no Michigan income tax returns were received from you for 1998 and 2001. Michigan tax due has been computed based on information received from the IRS. Michigan taxable income has been computed to be \$147,254 for 1998 and \$101,563 for 2001. One exemption was allowed for each year.

Actual 1998 and 2001 Michigan income tax returns must be filed and accepted by the Department of Treasury before the computed liability can be adjusted. If you were not required to file, explain why and provide documentation to support your explanation. If you filed 1998 and 1001 Michigan income tax returns, please provide copies of the returns for our review.

Please attach a copy of this letter to any correspondence regarding this matter. A pre-addressed enve ope has been enclosed for your convenience. If we can be of further assistance, please write or call this office at (517) 636-4340 between 8:00 a.m. and 5:00 p.m. Monday through Frically.

Sincerely,

Londa Y. Blackwell

Supervisor, IT Projects Unit

Londa y. Blackwell

Return Processing Division

LY 3:db:H58 IIT:1)IS:IAB98/01 Enclosure(s)

Michigan Department of Treasury 168 (Rev. 2-03)

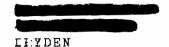
Bill for Taxes Due

(Intent to Assess)

Issued under PA, 122 of 1941, as amended.

* See monthly penalty and interest provisions on page 2.

SEE PAGE 2 FOR INFORMAL CONFERENCE REQUEST, TELEPHONE AND CORRESPONDENCE INFORMATION.



MΙ

Tax Division	Tax Division Telephone Number		
RP/PROJ UNIT	517 636 4340		
Assessment Number	Date Issued		
N368118	09/30/05		
Social Security/Account Number			
Collection Division Telephone Nu	ımber		
	517-636-5265		

BILL SUMMARY

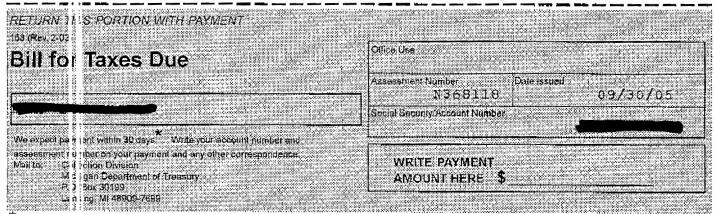
Tax Due	\$ \$ 6,479.00		
Penalty	\$ 1,619.75		
Interest	\$ 3,083.76		
Total Due *	\$ 1 <u>1</u> -, 182 - 51 -		

DETAIL OF TAX LIABILITY

() pe of Tax	Taxable Period	Tax Due	Penalty	Interest	
INCOME T/> MI-1(4() FAIL 10 FILE OR PAY	1998	6,479.00	1,619,75	3,083.76	

Reason for Tax Bill

NO MI-1043 RETURN WAS FILED FOR THE ABOVE YEAR. TAX DUE COMPUTED BASED ON IRS AUDIT INFERMATION, PROVIDED BY IRS UNDER AUTHORITY OF IRC. 6103 (D). FILE A RETURN TO ADJUST THIS BILL OR SUBMIT PROOF THAT NO RETURN WAS REQUIRED. PENALTY AND INTEREST FOR FAILURE TO FILE.



Form 4:519 Income Tax Examination Changes Page 1 Name and Aldress of Taxpayer SS or El Number Return Form No: 1040 Name and Title: Person with whom examination changes were discussed. Dryden Period End 13/31/1998 Period End Period End 1. Adjustments to income (3,550.00) a. Stancard Deduction (324.00) b. Exempt ions 5,887.00 c. WITH! ("LDING-BREED TECHNOLOGIES INC d. WAGES - BREED TECHNOLOGIES INC 64,006.00 25,549,00 e WAGES - SPECIAL COMPENSATION EXEC 3 1 f. GROSE DISTRIBUTION-THE EQUITABLE LIFE ASSUR 275.00 g. GROSS DISTRIBUTION-PMC BANK 36,669.00 14,868.00 h. GROSE DISTRIBUTION-NORTHERN TRUST CO TRUSTE m. O. 143.380.00 Total Auljustments 0.00 Taxab a Income Per Return or as Previously Adjusted. 143,380.00 4. Corrected Taxable Income Tax Method TAX RATE Filing Status Married Separate 5. Tax 43,580.00 6. Additional Taxes / Alternative Minimum Tax Corrected Tax Liability 43,580.00 8. Less Credits b. ·C

43,580.00

5,179.00

48,759.00

48,759.00

17,153.00

0.00

Line 15 (Excluding interest and penalties)

The Internal Revenue Service has agreements with State tax agencies under which information about Federal tax, including increases trelegoes as is exchanged with the States. If this change affects the amount of your State income tax, you should file the State form.

RG\$ Version 3.10.02

10. Plus

Other b.

9. Balance (Line 7 less total of lines 8a through 8d)

11. Total (>) rrected Tax Liability (line 9 plus line 10a - 10d)

Total Tan: Shown on Return or as Previously Adjusted.

Defici a rcy-increase in Tax or (Overassessment

Decrese in Tax) (Line 11 less 12 adjusted by 13)

16. Balan : Due or (Overpayment) (Line 14 adjusted by

a. IRA Tax

Adjust rents to: a. Special Fuels Credit
 b.

Adjust rents to Prepayment Credits

Form CG-4549

Four may be subject to backup vithholding if you underreport your interest, dividend, or patronage dividend income and do not pay the fequired ta to The IRS may order backup vithholding at 31 percent after four notices have been issued to you over a 120-day period and the tax T as been assessed and remains unpayd.

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http://sedm.org

