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[Bankruptcy Exit Plan Explores Collecting Taxes from Residents Working Outside Detroit.](#)

It's a single sentence in a bankruptcy document that clocks in at roughly 440 pages, but it's bound to draw a great deal of attention as Detroit tries to increase its revenues and pull out of its fiscal dilemma.

Emergency Manager Kevyn Orr's restructuring plan released Friday includes a proposal to try to collect income taxes from Detroit residents who work outside the city limits.

"The city is considering the enactment of a local ordinance that would require employers to withhold city income taxes of reverse commuters," the disclosure statement reads. It's not a new strategy, but one likely to draw opposition in some circles.

When city and state officials crafted a consent agreement in 2012, it included assistance for Detroit's efforts to collect those income taxes. But that plan failed and other legislative attempts to have suburban communities help have gained little traction.

A study released by consultants McKinsey & Co. estimated that uncollected income taxes from Detroit residents working outside the city, or reverse commuters, totaled more than $140 million in 2009. That means the city took in slightly less than half of what it should.

On Friday, a spokeswoman for Gov. Rick Snyder said Orr's current plan is consistent with what was included in the consent agreement.

"It's just a way for the state to help assist the city in ensuring effective and streamlined tax collection and compliance with existing laws and provisions," said Sara Wurfel. "Details and particulars are in the early stages and will need to be worked out."

The bankruptcy plan unveiled Friday by Orr's team would mean sacrifice from many of Detroit's sectors, particularly its pensioners — many of whom could see their payments cut by as much as 34 percent. Going after personal income taxes for those working outside the city would mean asking outsiders — namely businesses — to share that sacrifice.

And that makes it a difficult sell.

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