

HOUSE BILL No. 5422

September 17, 2009, Introduced by Rep. Meadows and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending section 4f (MCL 205.94f), as amended by 2004 PA 172.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4f. (1) In computing the amount of tax payments required
2 for any month of a seller not subject to section 6(2) who collects
3 the tax from the purchaser under the provisions of this act, the
4 seller who collects the tax from a purchaser may deduct the amount
5 provided by subdivision (a) or (b), whichever is greater:

6 (a) If the tax that accrued to the state from the purchase of
7 tangible personal property or services during the preceding month
8 is remitted to the department on or before the twelfth day of the
9 month in which remittance is due, **FOR TAXES ACCRUED THROUGH**

1 **SEPTEMBER 30, 2009**, 0.75% of the tax collected at a rate of 4% for
2 the preceding monthly period, but not to exceed \$20,000.00 of the
3 tax collected for that month **AND FOR TAXES ACCRUED AFTER SEPTEMBER**
4 **30, 2009, 0.60% OF THE TAX DUE AT A RATE OF 4% FOR THE PRECEDING**
5 **MONTHLY PERIOD, BUT NOT TO EXCEED \$16,000.00 OF THE TAX DUE FOR**
6 **THAT MONTH.** If the tax that accrued to the state from the purchase
7 of tangible personal property or services during the preceding
8 month is remitted to the department after the twelfth day of the
9 month and on or before the twentieth day of the month in which
10 remittance is due, **FOR TAXES ACCRUED THROUGH SEPTEMBER 30, 2009,**
11 0.50% of the tax collected at a rate of 4% for the preceding
12 monthly period, but not to exceed \$15,000.00 of the tax collected
13 for that month **AND FOR TAXES ACCRUED AFTER SEPTEMBER 30, 2009,**
14 **0.40% OF THE TAX DUE AT A RATE OF 4% FOR THE PRECEDING MONTHLY**
15 **PERIOD, BUT NOT TO EXCEED \$12,000.00 OF THE TAX DUE FOR THAT MONTH.**

16 (b) The tax collected at a rate of 4% on \$150.00 of taxable
17 purchase price for the preceding monthly period or a prorated
18 portion of \$150.00 of the taxable purchase price for the preceding
19 month if the seller engaged in business for less than a month.

20 (2) Beginning January 1, 1999, in computing the amount of tax
21 levied under this act for any month, a seller who collects the tax
22 from the purchaser under this act and who is subject to section
23 6(2) may deduct from the amount of the tax paid **PRIOR TO OCTOBER 1,**
24 **2009, 0.50% of the tax due at a rate of 4% AND FROM THE TAX PAID**
25 **AFTER SEPTEMBER 30, 2009, 0.40% OF THE TAX DUE AT A RATE OF 4%.**

26 (3) A deduction is not allowed under this section for payments
27 of taxes made to the department after the day the person is

1 required to pay the tax imposed by this act pursuant to section 6.

2 (4) If, pursuant to section 6(3), the department prescribes
3 the filing of returns and the payment of the tax for periods in
4 excess of 1 month, a seller who collects the tax from the purchaser
5 is entitled to a deduction from the tax collections remitted to the
6 department for the extended payment period that is equivalent to
7 the deduction allowed under subsection (1) or (2) for monthly
8 periods.

9 (5) The department may prescribe the filing of estimated
10 returns and annual periodic reconciliations as necessary to carry
11 out the purposes of this section.

12 (6) A seller registered under the streamlined sales and use
13 tax agreement may claim a deduction under this section if provided
14 for in the streamlined sales and use tax administration act, **2004**
15 **PA 174, MCL 205.801 TO 205.833.**