

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4804

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 6 (MCL 205.56), as amended by 2012 PA 118.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) Each taxpayer, unless otherwise provided by law or
2 as required pursuant to subsection (2), (3), (5), or (6), on or
3 before the twentieth day of each month shall make out a return for
4 the preceding month on a form prescribed by the department showing
5 the entire amount of all sales and gross proceeds of his or her
6 business, the allowable deductions, and the amount of tax for which
7 he or she is liable. The taxpayer shall also transmit the return,
8 together with a remittance for the amount of the tax, to the

1 department on or before the twentieth day of that month.

2 (2) Beginning January 1, 1999 through December 31, 2013, each
3 taxpayer that had a total tax liability after subtracting the tax
4 payments made to the secretary of state under this act or the use
5 tax act, 1937 PA 94, MCL 205.91 to 205.111, or after subtracting
6 the tax credits available under section 6a, in the immediately
7 preceding calendar year of \$720,000.00 or more shall remit to the
8 department, by an electronic funds transfer method approved by the
9 department on or before the twentieth day of the month, an amount
10 equal to 50% of the taxpayer's liability under this act for the
11 same month in the immediately preceding calendar year, or 50% of
12 the actual liability for the month being reported, whichever is
13 less, plus a reconciliation payment equal to the difference between
14 the tax liability determined for the immediately preceding month
15 minus the amount of tax previously paid for that month.
16 Additionally, the seller shall remit to the department, by an
17 electronic funds transfer method approved by the department on or
18 before the last day of the month, an amount equal to 50% of the
19 taxpayer's liability under this act for the same month in the
20 immediately preceding calendar year, or 50% of the actual liability
21 for the month being reported, whichever is less.

22 (3) Beginning January 1, 2014, each taxpayer that had a total
23 tax liability after subtracting the tax payments made to the
24 secretary of state under this act or the use tax act, 1937 PA 94,
25 MCL 205.91 to 205.111, or after subtracting the tax credits
26 available under section 6a in the immediately preceding calendar
27 year of \$720,000.00 or more shall remit to the department, by an

1 electronic funds transfer method approved by the department on or
2 before the twentieth day of the month, an amount equal to 75% of
3 the taxpayer's liability under this act in the immediately
4 preceding month **OR 75% OF THE TAXPAYER'S LIABILITY FOR THE SAME**
5 **MONTH IN THE IMMEDIATELY PRECEDING CALENDAR YEAR, WHICHEVER IS**
6 **LESS**, plus a reconciliation payment equal to the difference between
7 the tax liability determined for the immediately preceding month
8 minus the amount of tax previously paid for that month. Payment
9 remitted to the department by electronic funds transfer may include
10 as a single payment any amount due under section 6 of the use tax
11 act, 1937 PA 94, MCL 205.96.

12 (4) The tax imposed under this act shall accrue to this state
13 on the last day of the month in which the sale is incurred.

14 (5) The department, if necessary to insure payment of the tax
15 or to provide a more efficient administration, may require the
16 filing of returns and payment of the tax for other than monthly
17 periods.

18 (6) A taxpayer who is a materialperson may at the option of
19 the taxpayer include the amount of all taxable sales and gross
20 proceeds from materials furnished to an owner, contractor,
21 subcontractor, repairperson, or consumer on a credit sale basis for
22 the purpose of making an improvement to real property in his or her
23 return in the first quarterly return due following the date in
24 which the materialperson made the credit sale to the owner,
25 contractor, subcontractor, repairperson, or consumer.

26 Notwithstanding subsections (1) through (4), a materialperson may
27 at the option of the taxpayer file quarterly returns for a credit

1 sale only as determined by the department. As used in this
2 subsection, "credit sale" means an extension of credit for the sale
3 of taxable goods by a seller other than a credit card sale; and
4 "materialperson" means a person who provides materials for the
5 improvement of real property, who has registered with and has
6 demonstrated to the department that he or she is primarily engaged
7 in the sale of lumber and building material related products,
8 precast concrete products, or conduit or fitting products used in
9 the collection, conveyance, or distribution of water or sewage to
10 owners, contractors, subcontractors, repairpersons, or consumers,
11 and who is authorized to file a construction lien upon real
12 property and improvements under the construction lien act, 1980 PA
13 497, MCL 570.1101 to 570.1305.

14 (7) If a due date falls on a Saturday, Sunday, state holiday,
15 or legal banking holiday, the taxes are due on the next succeeding
16 business day.