205.184.added Sale of auctioned item; tax credit or refund; calculation; definitions.
Sec. 14. (1) A qualified person who paid a tax under the general sales tax act may calculate a credit and seek a refund from the department equal to 6% of the gross proceeds of a qualified sale of an auctioned item in excess of the fair market value of that auctioned item.
(2) A qualified person may not seek a credit or refund from the department under this section for any portion of a qualified sale of an auctioned item for which a tax under the general sales tax act was collected from the purchaser, unless the tax collected was refunded to the purchaser.
(3) A qualified person seeking a credit or refund under this section shall obtain and retain in its records a certification of fair market value supplied by the donor of an auctioned item on a form prescribed by the department.
(4) At the option of the qualified person, the credit calculated under this section may be applied to reduce the tax due under the general sales tax act, in accordance with the procedures implementing those sales tax payment obligations.
(5) As used in this section:
(a) "General sales tax act" means the general sales tax act, 1933 PA 167, MCL 205.51 to 205.78.
(b) "Qualified person" means an organization not operated for profit that is exempt from federal income tax under section 501(c)(3) or 501(c)(4) of the internal revenue code, 26 USC 501.
(c) "Qualified sale" means a sale made by a qualified person through a charitable auction.