

GENERAL SALES TAX ACT (EXCERPT)
Act 167 of 1933

205.56 Sales and gross proceeds tax returns; monthly filing; form; contents; transmitting return with remittance for amount of tax; electronic funds transfer; accrual of tax to state; filing returns and payment of tax for other than monthly periods; taxpayer as materialperson; "credit sale" and "materialperson" defined; due date.

Sec. 6.

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

(2) Each taxpayer that had a total tax liability after subtracting the tax payments made to the secretary of state under this act or the use tax act, 1937 PA 94, MCL 205.91 to 205.111, or after subtracting the tax credits available under section 6a, in the immediately preceding calendar year of \$720,000.00 or more shall remit to the department, by an electronic funds transfer method approved by the department on or before the twentieth day of the month, an amount equal to the following:

(a) Beginning January 1, 1999 through December 31, 2013, 50% of the taxpayer's liability under this act for the same month in the immediately preceding calendar year, or 50% of the actual liability for the month being reported, whichever is less, plus a reconciliation payment equal to the difference between the tax liability determined for the immediately preceding month minus the amount of tax previously paid for that month. Additionally, the seller shall remit to the department, by an electronic funds transfer method approved by the department on or before the last day of the month, an amount equal to 50% of the taxpayer's liability under this act for the same month in the immediately preceding calendar year, or 50% of the actual liability for the month being reported, whichever is less.

(b) Beginning January 1, 2014, 75% of the taxpayer's liability under this act in the immediately preceding month or 75% of the taxpayer's liability for the same month in the immediately preceding calendar year, whichever is less, plus a reconciliation payment equal to the difference between the tax liability determined for the immediately preceding month minus the amount of tax previously paid for that month. Payment remitted to the department by electronic funds transfer may include as a single payment any amount due under section 6 of the use tax act, 1937 PA 94, MCL 205.96.

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

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

(5) A taxpayer who is a materialperson may at the option of the taxpayer include the amount of all taxable sales and gross proceeds from materials furnished to an owner, contractor, subcontractor, repairperson, or consumer on a credit sale basis for the purpose of making an improvement to real property in his or her return in the first quarterly return due following the date in which the materialperson made the credit sale to the owner, contractor, subcontractor, repairperson, or consumer. Notwithstanding subsections (1) through (3), a materialperson may at the option of the taxpayer file quarterly returns for a credit sale only as determined by the department. As used in this subsection, "credit sale" means an extension of credit for the sale of taxable goods by a seller other than a credit card sale; and "materialperson" means a person who provides materials for the improvement of real property, who has registered with and has demonstrated to the department that he or she is primarily engaged in the sale of lumber and building material related products, precast concrete products, or conduit or fitting products used in the collection, conveyance, or distribution of water or sewage to owners, contractors, subcontractors, repairpersons, or consumers, and who is authorized to file a construction lien upon real property and improvements under the construction lien act, 1980 PA 497, MCL 570.1101 to 570.1305.

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

History: 1933, Act 167, Imd. Eff. June 28, 1933 ;-- Am. 1939, Act 313, Imd. Eff. June 22, 1939 ;-- CL 1948, 205.56 ;-- Am. 1949, Act 272, Eff. July 1, 1949 ;-- Am. 1963, Act 74, Imd. Eff. May 8, 1963 ;-- Am. 1975, Act 99, Imd. Eff. June 2, 1975 ;-- Am. 1980, Act 186, Imd. Eff. July 3, 1980 ;-- Am. 1993, Act 18, Imd. Eff. Apr. 14, 1993 ;-- Am. 1993, Act 325, Eff. May 1, 1994 ;-- Am. 1998, Act 265, Imd. Eff. July 17, 1998 ;-- Am. 1998, Act 453, Imd. Eff. Dec. 30, 1998 ;-- Am. 2004, Act 173, Eff. Sept. 1, 2004 ;-- Am. 2011, Act 71, Imd. Eff. June 28, 2011 ;-- Am. 2012, Act 118, Imd. Eff. May 2, 2012 ;-- Am. 2012, Act 458, Imd. Eff. Dec. 27, 2012 ;-- Am. 2014, Act 425, Imd. Eff. Dec. 30, 2014

