

**STREAMLINED SALES AND USE TAX ADMINISTRATION ACT (EXCERPT)**  
**Act 174 of 2004**

**205.829 Liability of registered seller; exceptions.**

Sec. 29.

(1) A seller registered under the agreement is not liable for any uncollected or nonremitted sales or use tax on transactions with purchasers in this state before the date of registration if the seller was not licensed or registered under the general sales tax act or the use tax act in this state in the 12-month period preceding the effective date of this state's participation in the agreement. The seller is also not responsible for any penalty or interest that may be due on those transactions. This subsection applies only if the seller is registered in this state within 12 months of the effective date of this state's participation in the agreement.

(2) Subsection (1) does not apply to the following:

(a) Any tax liability of the registered seller for transactions that are subject to sales or use tax in this state in which the registered seller is the purchaser.

(b) Any sales or use taxes already paid or remitted to this state or to taxes collected by the seller.

(c) Any transactions for which the seller received notice of the commencement of an audit and the audit is not finally resolved, including related administrative or judicial processes.

(3) Subsection (1) applies to the seller absent the seller's fraud or intentional misrepresentation of a material fact only if the seller continues to be registered under the agreement and continues collection and remittance of applicable sales and use taxes in this state for at least 36 months. The statute of limitations applicable to assessing a tax liability is tolled during this 36-month period.

**History:** 2004, Act 174, Eff. July 1, 2004