

SENATE BILL No. 414

April 29, 2003, Introduced by Senator EMERSON and referred to the Committee on Finance.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending section 6 (MCL 205.96), as amended by 1998 PA 266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) Every person storing, using, or consuming
2 tangible personal property or services, the storage, use, or
3 consumption of which is subject to the tax imposed by this act
4 when the tax was not paid to a seller, and every seller
5 collecting the tax from the purchaser, unless otherwise
6 prescribed by the department under the provisions of subsection
7 (2), (3), or (4), on or before the fifteenth day of each calendar
8 month shall file with the department a return for the preceding
9 calendar month, in a form prescribed by the department, showing
10 the price of each purchase of tangible personal property or
11 services during the preceding month, and other information the

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1 department considers necessary for the proper administration of
2 this act. At the same time, each person shall pay to the
3 department the amount of tax imposed by this act with respect to
4 the purchases covered by the return. A return shall be signed by
5 the person liable for the tax or his or her duly authorized
6 agent. If the return is prepared by a person other than the
7 taxpayer, the return shall also be signed by that person and show
8 his or her address.

9 (2) Before January 1, 1999, each seller that had a total tax
10 liability after subtracting the tax payments made to the
11 secretary of state under this act or the sales tax act, 1933 PA
12 167, MCL 205.51 to 205.78, or after subtracting the tax credits
13 available under section 6a of the general sales tax act, 1933 PA
14 167, MCL ~~205.6a~~ **205.56a**, in the immediately preceding calendar
15 year of \$720,000.00 or more on or before the eighteenth of each
16 month shall remit to the department, by an electronic funds
17 transfer method approved by the commissioner of revenue, an
18 amount equal to 95% of the taxpayer's liability under this act
19 for the same month in the immediately preceding calendar year, or
20 95% of the actual liability for the current month being reported,
21 plus a reconciliation payment equal to the difference between the
22 tax liability determined for the immediately preceding month
23 minus the amount of tax previously paid for that month.

24 (3) Beginning January 1, 1999, each seller that had a total
25 tax liability after subtracting the tax payments made to the
26 secretary of state under this act or the sales tax act, 1933 PA
27 167, MCL 205.51 to 205.78, or after subtracting the tax credits

1 available under section 6a of the general sales tax act, 1933 PA
2 167, MCL 205.56a, in the immediately preceding calendar year of
3 \$720,000.00 or more shall remit to the department, by an
4 electronic funds transfer method approved by the commissioner of
5 revenue on or before the fifteenth day of the month, an amount
6 equal to 50% of the taxpayer's liability under this act for the
7 same month in the immediately preceding calendar year, or 50% of
8 the actual liability for the month being reported, whichever is
9 less, plus a reconciliation payment equal to the difference
10 between the tax liability determined for the immediately
11 preceding month minus the amount of tax previously paid for that
12 month. Additionally, the seller shall remit to the department,
13 by an electronic funds transfer method approved by the
14 commissioner of revenue on or before the last day of the month,
15 an amount equal to 50% of the taxpayer's liability under this act
16 for the same month in the immediately preceding calendar year, or
17 50% of the actual liability for the month being reported,
18 whichever is less.

19 (4) If considered necessary to insure payment of the tax or
20 to provide a more efficient administration, the revenue
21 commissioner may require and prescribe the filing of returns and
22 payment of the tax for other than monthly periods.

23 ~~(5) If a corporation licensed under this act fails for any~~
24 ~~reason to file the required returns or to pay the tax due, any of~~
25 ~~its officers having control or supervision of, or charged with~~
26 ~~the responsibility for, making the returns and payments are~~
27 ~~personally liable for the failure. The dissolution of a~~

1 ~~corporation does not discharge an officer's liability for a prior~~
2 ~~failure of the corporation to make a return or remit the tax~~
3 ~~due.~~

4 (5) ~~-(6)-~~ The tax imposed under this act shall accrue to this
5 state on the last day of each calendar month.

6 Enacting section 1. This amendatory act takes effect for
7 tax years that begin on and after January 1, 2003.