

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4539

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 4 (MCL 205.54), as amended by 2004 PA 173.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) In computing the amount of tax levied under this
2 act for any month, a taxpayer not subject to section 6(2) may
3 deduct the amount provided by subdivision (a) or (b), whichever is
4 greater:

5 (a) If the tax that accrued to this state from the sales at
6 retail during the preceding month is remitted to the department on
7 or before the twelfth day of the month in which remittance is due,
8 0.75% of the tax due at a rate of **NOT MORE THAN** 4% for the
9 preceding monthly period, but not to exceed \$20,000.00 of the tax

1 due for that month. If the tax that accrued to this state from the
2 sales at retail during the preceding month is remitted to the
3 department after the twelfth day and on or before the twentieth day
4 of the month in which remittance is due, 0.50% of the tax due at a
5 rate of **NOT MORE THAN** 4% for the preceding monthly period, but not
6 to exceed \$15,000.00 of the tax due for that month.

7 (b) The tax at a rate of **NOT MORE THAN** 4% due on \$150.00 of
8 taxable gross proceeds for the preceding monthly period, or a
9 prorated portion of \$150.00 of the taxable gross proceeds for the
10 preceding month if the taxpayer engaged in business for less than a
11 month.

12 (2) Beginning January 1, 1999, in computing the amount of tax
13 levied under this act for any month, a taxpayer who is subject to
14 section 6(2) may deduct from the amount of the tax paid 0.50% of
15 the tax due at a rate of **NOT MORE THAN** 4%.

16 (3) A deduction is not allowed under this section for payments
17 of taxes made to the department after the day the taxpayer is
18 required to pay, pursuant to section 6, the tax imposed by this
19 act.

20 (4) If, pursuant to section 6(4), the department prescribes
21 the filing of returns and the payment of the tax for periods in
22 excess of 1 month, a taxpayer is entitled to a deduction from the
23 tax collections remitted to the department for the extended payment
24 period that is equivalent to the deduction allowed under subsection
25 (1) or (2) for monthly periods.

26 (5) The department may prescribe the filing of estimated
27 returns and annual periodic reconciliations as necessary to carry

1 out the purposes of this section.

2 (6) A seller registered under the streamlined sales and use
3 tax agreement may claim a deduction under this section if provided
4 for in the streamlined sales and use tax administration act.