

SUBSTITUTE FOR
SENATE BILL NO. 935

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending section 6 (MCL 205.96), as amended by 2014 PA 426, and
by adding section 6d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) Every person storing, using, or consuming tangible
2 personal property or services, the storage, use, or consumption of
3 which is subject to the tax imposed by this act when the tax was
4 not paid to a seller, and every seller collecting the tax from the
5 purchaser, ~~unless~~**except as** otherwise ~~prescribed~~**provided** by the
6 ~~department~~**law or as otherwise required** under the ~~provisions of~~
7 subsection (2) or (3), on or before the twentieth day of each
8 calendar month shall file with the department a return for the

1 preceding calendar month, in a form prescribed by the department,
2 showing the price of each purchase of tangible personal property or
3 services during the preceding month, and other information the
4 department considers necessary for the proper administration of
5 this act. ~~At~~**Except as otherwise provided in section 6d, at** the
6 same time, each person shall pay to the department the amount of
7 tax imposed by this act with respect to the purchases covered by
8 the return.

9 (2) ~~Each~~**Except as otherwise provided in section 6d, each**
10 seller that had a total tax liability after subtracting the tax
11 payments made to the secretary of state under this act or the
12 general sales tax act, 1933 PA 167, MCL 205.51 to 205.78, or after
13 subtracting the tax credits available under section 6a of the
14 general sales tax act, 1933 PA 167, MCL 205.56a, in the immediately
15 preceding calendar year of \$720,000.00 or more shall remit to the
16 department, by an electronic funds transfer method approved by the
17 department on or before the twentieth day of the month, an amount
18 equal to the following:

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

1 preceding calendar year, or 50% of the actual liability for the
2 month being reported, whichever is less.

3 (b) Beginning January 1, 2014, 75% of the taxpayer's liability
4 under this act in the immediately preceding month or 75% of the
5 taxpayer's liability for the same month in the immediately
6 preceding calendar year, whichever is less, plus a reconciliation
7 payment equal to the difference between the tax liability
8 determined for the immediately preceding month minus the amount of
9 tax previously paid for that month. Payment remitted to the
10 department by electronic funds transfer may include as a single
11 payment any amount due under section 6 of the general sales tax
12 act, 1933 PA 167, MCL 205.56.

13 (3) ~~If~~ **Subject to section 6d, if** considered necessary to
14 ~~insure~~ **ensure** payment of the tax or to provide a more efficient
15 administration, the department may require and prescribe the filing
16 of returns and payment of the tax for other than monthly periods.

17 (4) The tax imposed under this act shall accrue to this state
18 on the last day of each calendar month.

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

22 **Sec. 6d. (1) A qualified taxpayer that files a monthly return**
23 **under this act may defer payment of qualified taxes by remitting**
24 **them in installments as follows:**

25 (a) **Taxes otherwise due for March, April, and May must be paid**
26 **in 6 equal installments with 1 installment due on each of the**
27 **following dates:**

28 (i) **June 22, 2020.**

29 (ii) **July 20, 2020.**

1 (iii) August 20, 2020.

2 (iv) September 21, 2020.

3 (v) October 20, 2020.

4 (vi) November 20, 2020.

5 (b) Taxes otherwise due for June 2020 must be paid in 5 equal
6 installments with 1 installment due on each of the following dates:

7 (i) July 20, 2020.

8 (ii) August 20, 2020.

9 (iii) September 21, 2020.

10 (iv) October 20, 2020.

11 (v) November 20, 2020.

12 (c) Taxes otherwise due for July 2020 must be paid in 4 equal
13 installments with 1 installment due on each of the following dates:

14 (i) August 20, 2020.

15 (ii) September 21, 2020.

16 (iii) October 20, 2020.

17 (iv) November 20, 2020.

18 (d) Taxes otherwise due for August 2020 must be paid in 3
19 equal installments with 1 installment due on each of the following
20 dates:

21 (i) September 21, 2020.

22 (ii) October 20, 2020.

23 (iii) November 20, 2020.

24 (2) A qualified taxpayer that files a quarterly return under
25 this act may defer payment of qualified taxes by remitting them in
26 installments as follows:

27 (a) Taxes otherwise due for March of quarter 1 of 2020 must be
28 paid in 3 equal installments with 1 installment due on each of the

1 following dates:

2 (i) June 22, 2020.

3 (ii) September 21, 2020.

4 (iii) November 20, 2020.

5 (b) Taxes otherwise due for quarter 2 of 2020 must be paid in
6 3 equal installments with 1 installment due on each of the
7 following dates:

8 (i) July 20, 2020.

9 (ii) September 21, 2020.

10 (iii) November 20, 2020.

11 (c) Taxes otherwise due for July and August of quarter 3 of
12 2020 must be paid in 2 equal monthly installments with 1
13 installment due on each of the following dates:

14 (i) October 20, 2020.

15 (ii) November 20, 2020.

16 (3) If a qualified taxpayer intends to defer payment of
17 qualified taxes otherwise due under this act for August 2020, the
18 qualified taxpayer shall submit an estimate of the taxes to be
19 deferred for August 2020 to the department not later than July 31,
20 2020 on a form prescribed by the department.

21 (4) Penalties and interest must not be added to qualified
22 taxes remitted pursuant to this section.

23 (5) As used in this section:

24 (a) "COVID-19 executive order" means an executive order issued
25 by the governor in response to the coronavirus (COVID-19) public
26 health emergency.

27 (b) "Qualified taxes" means the taxes otherwise due under this
28 act from a qualified taxpayer for March, April, May, June, July,
29 and August 2020.

1 (c) "Qualified taxpayer" means a taxpayer whose business has
2 been negatively impacted as the result of a COVID-19 executive
3 order. A taxpayer's business is considered negatively impacted by a
4 COVID-19 executive order if 1 or more of the following apply:

5 (i) As a result of a COVID-19 executive order, the taxpayer's
6 place of business is closed or restricted to ingress, egress, use,
7 and occupancy by members of the public.

8 (ii) The taxpayer's business involves assemblages of people
9 that are prohibited by a COVID-19 executive order.