

---

Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

---

House Bill 4664 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Andrew Richner  
House Committee: Tax Policy  
Senate Committee: Finance

### **CONTENT**

The bill would amend the General Sales Tax Act to provide that if a taxpayer (a retailer or seller) refunded or provided a credit for all or a portion of the amount of the purchase price of returned tangible personal property, within the time period for returns stated in the taxpayer's refund policy or 180 days after the initial sale, whichever was sooner, the taxpayer would have to refund or provide a credit for the sales tax that the taxpayer added to all or that portion of the amount of the purchase price that was refunded or credited.

Proposed MCL 205.60

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

No estimate of the fiscal impact of this bill is possible at this time, because there are no data on which to base such an estimate. Due to the fact that under current law, no sales tax refund is paid to consumers who are refunded less than the original purchase price for a returned item, the Department of Treasury does not collect any data on this type of return transaction. An attempt is being made to obtain some useful information from another state that does currently provide partial sales tax refunds for this type of return transaction. When the information becomes available, this analysis will be undated.

Date Completed: 5-12-00

Fiscal Analyst: J. Wortley