



**House
Legislative
Analysis
Section**

House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

**USE TAX PRESUMPTION: NO TAX
AFTER 90 DAYS**

House Bill 4219

Sponsor: Rep. Gary Woronchak

Committee: Tax Policy

Complete to 3-10-03

A SUMMARY OF HOUSE BILL 4219 AS INTRODUCED 2-13-03

The Use Tax Act is levied, generally speaking, on remote sales; that is, on out-of-state purchases of products that are then brought into the state for storage, use, or other consumption. The use tax is a companion to the sales tax and, like the sales tax, is levied at a rate of six percent. The Use Tax Act states that “for the purpose of the proper administration of the act and to prevent evasion of the tax”, it is presumed that tangible personal property is subject to the tax if the property is brought into the state within 90 days of the purchase date and is considered as acquired for storage, use, or other consumption in Michigan.

House Bill 4219 would amend the act to add the presumption that tangible personal property is exempt from the use tax if brought into the state more than 90 days after the date of purchase and is not considered as acquired for storage, use, or consumption in Michigan.

MCL 205.93

House Bill 4219 (3-10-03)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.