

# Legislative Analysis



## DEFINITION OF "MATERIALPERSON" IN SALES TAX: INCLUDE A PERSON SELLING PRECAST CONCRETE

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### House Bill 5770

Sponsor: Rep. Jeff Mayes

Committee: Tax Policy

Complete to 3-28-06

## A SUMMARY OF HOUSE BILL 5770 AS INTRODUCED 3-1-06

Generally speaking, the General Sales Tax Act requires businesses to remit sales taxes collected on the 20<sup>th</sup> of each month. However, the act allows a firm that sells lumber and building material-related products on credit (a "materialperson") to file on a quarterly basis, due on the April 20, July 20, October 20, and January 20 for the calendar year quarter ending March 31, June 30, September 30, and December 31.

Generally speaking, a materialperson is person who is primarily engaged in the sale of lumber and building materials used for the improvement of real property to owners, contractors, subcontractors, repairpersons, and consumers and who is authorized to file a construction lien under the Construction Lien Act. House Bill 5770 would add that a materialperson would also include **a person who sells precast concrete products**. While not defined in the bill, precast concrete products are used in the construction of commercial and residential buildings and improve the appearance or usefulness of the physical site around a building, and include such products as steps, basement and above-grade walls, foundation systems, basement entries, floor and roof slabs, architectural wall panels, furniture, landscape retaining walls, modular paving products, modular housing units, air conditioning pads, ornamental products, parking bumpers and curbs, signs, storms shelters, safe rooms, bank vaults and automated teller machine vaults.

## FISCAL IMPACT:

The bill would have no fiscal impact on the state or local units of government.

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