

Act No. 437
Public Acts of 2008
Approved by the Governor
January 9, 2009
Filed with the Secretary of State
January 9, 2009
EFFECTIVE DATE: January 9, 2009

**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2008**

Introduced by Reps. Bieda and Condino

ENROLLED HOUSE BILL No. 5554

AN ACT to amend 2004 PA 174, entitled "An act to provide for a streamlined system of sales and use tax collection; to prescribe the requirements necessary for this state to adopt a multistate agreement; to provide for a board with certain powers and duties; to provide for the registration of sellers who select a model of collection and remittance; to forgive liability of collection of sales and use taxes on past transactions for certain sellers; to assure privacy of buyers; and to prescribe certain powers and duties of state officials and state departments," by amending section 25 (MCL 205.825).

The People of the State of Michigan enact:

Sec. 25. (1) A certified service provider is the agent of a seller, with whom the certified service provider has contracted for the collection and remittance of sales and use taxes. As the seller's agent, the certified service provider is liable for sales and use tax due to this state on all sales transactions it processes for the seller unless the seller made a material misrepresentation or committed fraud.

(2) A seller that uses a certified automated system is responsible and is liable to this state for reporting and remitting tax.

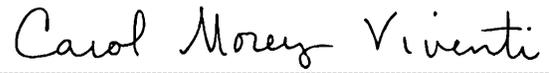
(3) A certified service provider or a seller that uses a certified automated system shall be relieved from liability for sales tax and use tax if it relied on the department's determination that the software program submitted to the board for certification as a certified automated system under the agreement accurately reflected the taxability of the product categories included in the software program. The relief from liability under this section does not apply if a certified service provider or a seller that uses a certified automated system has incorrectly classified an item or transaction into a product category of the certified automated system.

(4) As provided in section 12(9) of the general sales tax act, 1933 PA 167, MCL 205.62, a certified service provider shall be considered a seller and shall be eligible for relief from liability for sales tax as provided in section 12 of the general sales tax act, 1933 PA 167, MCL 205.62.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor