

**USE TAX ACT (EXCERPT)**  
**Act 94 of 1937**

**205.106 Seller's failure to comply with act; penalty.**

Sec. 16. Any seller who fails, neglects or refuses to collect the tax as required by this act, or fails, neglects or refuses to comply with the provisions of this act, or excepting as expressly authorized pursuant to this act, refunds, remits or rebates to a consumer, either directly or indirectly and by whatsoever means, all or any part of the tax levied by this act, or makes in any form of advertising, verbal or otherwise, any statements which might imply he is absorbing the tax or paying the tax for the consumer by an adjustment of prices or at a price including the tax, or in any other manner whatsoever, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than \$100.00 nor more than \$500.00, and upon conviction for a second or subsequent offense shall be fined not less than \$500.00 nor more than \$5,000.00, or imprisoned in the county jail not more than 1 year, or by both such fine and imprisonment in the discretion of the court.

**History:** 1937, Act 94, Eff. Oct. 29, 1937;—CL 1948, 205.106;—Am. 1949, Act 273, Eff. July 1, 1949;—Am. 1959, Act 263, Eff. Sept. 1, 1959.