

MOTOR FUEL TAX ACT (EXCERPT)
Act 403 of 2000

207.1016 Tax credit by supplier in amount uncollected from purchaser; notice; rules; report; identification; limitation; additional credit; remittance.

Sec. 16. (1) In computing the amount of tax due under this act, a supplier is entitled to a credit against the tax payable in the amount of tax paid by the supplier that has not been collected from an eligible purchaser and remains uncollected for 90 days after the date the tax payment was due from the eligible purchaser.

(2) The supplier shall provide written notice to the department of a failure to collect tax within 10 days after the earliest date on which the supplier was allowed to collect the tax from the eligible purchaser under section 74.

(3) The department may promulgate rules establishing the evidence a supplier must provide to receive the credit.

(4) A supplier shall claim the credit on the first report filed by the supplier following the expiration of the 90-day period described in subsection (1) if the payment remains unpaid as of the filing date of that report.

(5) The claim for the credit shall identify the defaulting eligible purchaser and any tax liability that remains unpaid.

(6) If an eligible purchaser fails to make a timely payment of the amount of tax due, the supplier's credit shall be limited to the amount due from the purchaser, plus any tax that accrues and remains unpaid from that purchaser for a period of 10 days following the date of failure to pay.

(7) Additional credit is not allowed to a supplier under this section until the department has authorized the purchaser to make a new election under section 74.

(8) A supplier shall remit to the department any previously uncollected taxes paid to the supplier by an eligible purchaser on which the supplier claimed a credit or deduction under this section. The supplier shall remit the taxes on the return filed for the month that the taxes were paid to the supplier and shall include a statement of the period for which the taxes were paid.

History: 2000, Act 403, Eff. Apr. 1, 2001.