

Example of Triple Taxation

Shipment moves from Algonac, MI to Sunrise, FL

Total Miles	1,316	
Michigan Miles	110	
% of Michigan Miles	8.36%	
Atlas Invoices Customer	12,000	
Apportionment %	8.36%	
% of Atlas' Gross Receipts	960	< amt that should be taxed
Atlas pays Imlach	7,000	
Apportionment %	8.36%	
% of Imlach's Gross Receipts	585	
Imlach pays Subcontractor	5,500	
Apportionment %	8.36%	
% of Subcontractor's Gross Receipts	460	
Amt of Gross Receipts Mich is taxing	2,005	

So you can see that only \$960 of gross receipts were "earned" in Michigan, but Michigan collected taxes based on the \$2,005 - triple taxation