



Senate Fiscal Agency
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Senate Bill 415 and 416 (as reported without amendment)
Sponsor: Senator Veronica Klinefelt
Committee: Finance, Insurance, and Consumer Protection

CONTENT

Senate Bill 415 and Senate Bill 416 would amend the General Sales Tax Act and the Use Tax Act, respectively, to specify that, if a seller were licensed by the Michigan Liquor Control Commission (MLCC) as a micro brewer, obtaining a purchaser's MLCC licensee number would satisfy a requirement to obtain a purchaser's identifying information for the purposes of exemptions under those Acts.

The bills are tie-barred.

MCL 205.62 & 205.68 (S.B. 415)
205.104a & 205.104b (S.B. 416)

BRIEF RATIONALE

Public Acts 3 and 4 of 2022 amended the General Sales Tax Act and the Use Tax Act, respectively, to specify that, if a seller is licensed as a wholesaler by the MLCC, the purchaser's MLCC licensee number satisfies a requirement to obtain a purchaser's identifying information for the purposes of exemptions under those Acts. According to testimony, microbrewers perform the same sales functions as wholesalers; however, microbrewers cannot satisfy the requirement to obtain a purchaser's information as allowed for wholesalers. It has been suggested that microbrewers be allowed to do so to streamline the claiming of exemptions.

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

Senate Bills 415 and 416 are reintroductions of Senate Bill 853 and 852, respectively of the 2021-2022 Legislative Session. Senate Bills 852 and 853 passed the Senate and were reported from the House Committee on Tax Policy but received no further action.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 11-8-23

Fiscal Analyst: Elizabeth Raczkowski