

USE TAX ACT (EXCERPT)
Act 94 of 1937

205.101 Refund or credit for returned tangible personal property or service; written notice.

Sec. 11. (1) If a person liable for collection of the tax under this act refunds or provides a credit for all or a portion of the amount of the purchase price paid for returned tangible personal property within the time period for returns stated in that person's refund policy or 180 days after the initial sale, whichever is sooner, that person shall also refund or provide a credit for the tax levied under this act that was added to all or that portion of the amount of the purchase price paid that is refunded or credited.

(2) If a person liable for collection of the tax under this act refunds or provides a credit for all or a portion of an amount paid for a service taxable under this act within the time period for returns stated in that person's refund policy or 180 days after the initial sale, whichever is sooner, that person shall also refund or provide a credit for the tax paid under this act on all or that portion of the amount paid for services that is refunded or credited.

(3) A cause of action against a seller for overcollected sales or use taxes does not accrue until a purchaser has provided written notice to a seller and the seller has had 60 days to respond. The purchaser shall provide in the notice sufficient information to determine the validity of the request. In matters relating to the request, a seller is presumed to have a reasonable business practice if in the collection of sales and use tax, the seller has a certified service provider or a system, including a proprietary system, certified by the department and has remitted to this state all taxes collected less any deductions, credits, or collection allowances.

History: Add. 2000, Act 153, Imd. Eff. June 12, 2000;—Am. 2004, Act 172, Eff. Sept. 1, 2004;—Am. 2004, Act 172, Eff. Sept. 1, 2004.

Compiler's note: Former MCL 205.101, which pertained to assessment, was repealed by Act 165 of 1980, Eff. Sept. 17, 1980.