



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 4153 (as reported without amendment)  
Sponsor: Representative Mike Shirkey  
House Committee: Transportation and Infrastructure  
Senate Committee: Transportation

### **CONTENT**

The bill would amend the General Sales Tax Act to provide an effective date of April 1, 2013, regarding changes to prepayment of fuel tax scheduled to take effect on March 28, 2013, under amendments enacted by Public Act 509 of 2012.

The General Sales Tax Act requires purchasers or receivers of gasoline to prepay a portion of the sales tax when purchasing from a refiner, pipeline terminal operator, or marine terminal operator. The 2012 amendments, effective March 28, 2013, extend this requirement to diesel fuel. Under the bill, this change would take effect on April 1, 2013.

The bill would re-enact current language that requires purchasers or receivers of gasoline to make tax prepayments to the supplier, or directly to the Department of Treasury, at the time of purchase. The bill also would re-enact a current requirement that the Department determine the rate of gasoline tax prepayments every three months, as a rule. The re-enacted provisions would be effective through March 31, 2013.

The 2012 amendments require the Department to determine fuel prepayment rates on a monthly basis, and to publish notice of the rate by the 10<sup>th</sup> day of the month before the month in which it will take effect. The bill would require these duties effective April 1, 2013.

The Act allows a person to claim an estimated prepayment credit if the person makes a prepayment to another person, under certain circumstances. Under the 2012 amendments, credits claimed with the return due in January 2013 will be based on the taxpayer's retail sales of diesel fuel in March 2013. Also, repayment of the credit must be made by the earlier of the date that the taxpayer stops selling diesel fuel or July 15, 2013. Under the bill, instead, the return due in April 2013 would be based on sales of diesel fuel in March 2013. Repayment of the credit claimed on the return due in April 2013 would have to be made by the earlier of the date that the taxpayer stopped selling diesel fuel or October 15, 2013.

MCL 205.56a

Legislative Analyst: Glenn Steffens

### **FISCAL IMPACT**

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

Date Completed: 2-27-13

Fiscal Analyst: David Zin

[floor\sb4153](#)

Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.