

**Amnesty not available in Michigan to Sellers who register  
under Streamlined after September 30, 2006**

The Streamlined Governing Board on April 18, 2006 expressed the intent of the Governing Board that for Model 1 and Model 2 sellers, the amnesty period provided by Section 402 A.2. of the Streamlined Sales and Use Tax Agreement (“Agreement”) be extended by each member state to include the period of 1 year commencing on the date that notice is provided that adequate CSP and CAS services are available. The Motion noted that each member state would determine how, under its laws, rules and practices, it could provide or is unable to provide such an extension of amnesty. The Motion also stated that if a member state cannot implement the intent of the Governing Board on the extension of amnesty, that member state shall post on its web site information about the issues associated with extending the amnesty period, its policy regarding amnesty, and the consequences on sellers. That information is also to be posted on the Streamlined web site.

Michigan law provides as follows:

A seller registered under the agreement is not liable for any uncollected or nonremitted sales or use tax on transactions with purchasers in this state before the date of registration if the seller was not licensed or registered under the general sales tax act or the use tax act in this state in the 12-month period preceding the effective date of this state's participation in the agreement. The seller is also not responsible for any penalty or interest that may be due on those transactions. This subsection applies only if the seller is registered in this state within 12 months of the effective date of this state's participation in the agreement. (emphasis added) MCL 205.829(1).

As noted above, MCL 205.829(1) states that the amnesty afforded under the Agreement is available **only** if the eligible seller is registered within 12 months of the effective date of Michigan’s participation in the Agreement (i.e., by September 30, 2006). Statutorily, Michigan cannot extend the amnesty period provided by Section 402 A.2. of the Agreement beyond September 30, 2006. **A seller who registers under Streamlined (as a Model 1 seller, a Model 2 seller, or otherwise) after September 30, 2006 will not be eligible for amnesty in Michigan.**