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DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS BUREAU OF FIRE SERVICES JULIE SECONTINE

STATE FIRE MARSHAL

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Frequently Asked Questions Fireworks Application

1. Question: What is required for someone to receive a consumer fireworks certificate in Michigan?

Answer: According to the Michigan Fireworks Safety Act, PA 256 of 2011, <u>Section</u> 28.454:

- a) To obtain a consumer fireworks certificate, the application shall be submitted no later than April 1 of each year in which consumer fireworks are to be sold.
- b) The application shall be accompanied by a copy of the applicant's current sales tax license, including the applicant's account number, issued by the department of treasury for each retail location where consumer fireworks are to be sold by the applicant. If the retailer is not a sole proprietorship, please submit a Federal Tax ID number. You may need to submit site or floor plans. Please see Fireworks Plan Submittal Guidelines for guidance (if applicable).
- c) The application shall be accompanied by a fee of \$1,000.00 for a certificate for each retail location that is a permanent building or structure or \$600.00 for each retail location that is not a permanent building or structure.
- d) A consumer fireworks certificate issued under this section is valid from the date of issue until April 30 of the year after it was issued. A person may renew a consumer fireworks certificate for a retail location by making application in the same manner as provided under subsection (2). However, the department shall not issue a renewal consumer fireworks certificate unless the department determines that the applicant properly remitted all of the fireworks safety fees required to be paid in the preceding year.
- e) The retailer must pass an on-site inspection approved by the Bureau of Fire Services. An approved inspector may visit your retail location at any time, and all rules and regulations must be upheld at all times to negate the risk of receiving a citation.

2. Question: What is required when running a Consumer Fireworks Retail Sales (CFRS) facility?

Answer: According to the Michigan Fireworks Safety Act, PA 256 of 2011, <u>Section</u> 28.454:

- a) The holder of a consumer fireworks certificate shall prominently display the original or copy of the certificate in the appropriate retail location. A person that violates this subsection is responsible for a civil fine of \$100.00. Each day that the consumer fireworks certificate is not displayed as required under this subsection is a separate violation.
- b) The certificate holder will be responsible for meeting all code requirements of NFPA 1124, 2006 Edition, Michigan Fireworks Safety Act, PA 256 of 2011 and the Fireworks Safety General Rules. As well you will be responsible for addressing any local ordinances or laws for each location.
- c) According to <u>Section 28.458</u> of PA 256 of 2011; retailers are required to submit a Retailers Fireworks Sales Report and pay any subsequent <u>fire safety fees</u> on a monthly basis. All Sales Reports and Safety Fees are due no later than 20 days after the end of each month.
- d) PA 256 of 2011 Section 28.455 requires: During periods when consumer fireworks are sold, each retail location selling consumer fireworks either shall be added as an additional insured, or public liability and product liability insurance coverage shall be obtained and maintained, in an amount not less than \$10,000,000.00 per occurrence. A person that knows, or should know, that he or she is required to comply with this subsection and who fails or neglects to do so is liable for a civil fine of not more than \$5,000.00.

3. Question: What is the Fireworks Safety Fee and how is it collected?

Answer: According to the Michigan Fireworks Safety Act, PA 256 of 2011, <u>Section</u> 28.458:

a) A user fee, known as the <u>fire safety fee</u>, is imposed on retail transactions made in this state for consumer fireworks and low-impact fireworks. A person that acquires consumer fireworks or low-impact fireworks in a retail transaction is liable for the fireworks safety fee on the transaction and, except as otherwise provided in this act, shall pay the fireworks safety fee to the retailer as a separate added amount to the consideration in the transaction. The retailer shall collect the fireworks <u>fire safety fee</u> as an agent for the state.

- b) Retailers must collect a 6% safety fee in addition to the 6% Michigan Sales Tax on the retail sales of both consumer and low-impact fireworks. Fire safety fees must be paid to the Bureau of Fire Services and sales tax must be paid to the Department of Treasury.
- c) Sales reports and any subsequent <u>safety fees</u> are due 20 days after the end of every month. This requirement begins with the month that you are registered or are issued a consumer certificate. It continues until you cancel your certificate or registration or it expires. Regardless of sales amount, even if you have zero sales, you are required to submit a report monthly.
- d) If you have not submitted all of the required reports at the time you apply for a new certificate you will not be issued a certificate. Payments for Safety Fees can be submitted online by logging into your fireworks account.
- e) A cancellation request may be submitted using your online account. The cancellation will go into effect on the first day of the month after it was submitted. Up to and including that time period you will have to meet the requirements and submit all Safety Fee Sales Reports. Reversal of the cancellation is not permitted; a new application must be made if you want to sell at the same location again.

4. Question: Is it possible to be denied a Consumer Fireworks Certificate?

Answer: Yes. If you don't meet all of the application requirements you will be denied.

Possible reasons for denial:

- If you do not submit your certificate fee you will be denied.
- Confirmation of a valid and active Michigan Sales Tax License; this will be confirmed with the Michigan Department of Treasury. If confirmation is received not valid and active; you will be denied.
- If you had a consumer certificate the previous year and your fire safety fees and sales reports are not up to date; you will be denied.

In the event that you receive a denial notice you will have 45 days to correct any issues and resubmit any missing documentation.

5. Question: How long is the Consumer Fireworks Certificate valid for?

Answer: According to the Michigan Fireworks Safety Act, PA 256 of 2011, Section 28.454, Section 4(3) a consumer fireworks certificate issued under this section is valid from the date of issue until April 30 of the year after it was issued. A retailer must apply annually and meet all statutory requirements. Currently there is no renewal process in place.

6. Question: What if I only want to sell low impact fireworks like sparkling wheel devices and ground sparkling devices?

Answer: According to the Michigan Fireworks Safety Act, PA 256 of 2011, Section 28.456(2) the act requires that any retailer selling low-impact fireworks in the state of Michigan must register online each calendar year at least ten days prior to sales. The retailer must also collect the 6% Fireworks Safety Fee and remit those fees to the State of Michigan 20 days after the end of each month. Sales reports are required regardless of sales amount, including zero sales. This requirement begins with the month of registration and ends on December 31 of the same year. In order to sell low impact fireworks the following year, the individual must re-register.

7. Question: Do I have to register if I sell both consumer and low impact fireworks?

Answer: Yes, according to the Michigan Fireworks Safety Act, PA 256 of 2011, <u>Section 28.454</u>, <u>Section 4</u>, selling consumer fireworks will require a certificate for each retail sales location. Low impact sales will require a registration for each retail sales location. If you are selling both consumer fireworks and low impact fireworks you will need a consumer certificate and registration for each retail location.

8. Question: How do I know if my certificate has been issued?

Answer: New in 2017 your Certificate will be emailed to you for you to print and display. Your account will have all of your application history so you can see when it is being issued.

9. Question: Is it possible that I could be issued a citation?

Answer: Yes, if your retail sales location does not meet the code requirements as described in the Michigan Fireworks Safety Act, PA 256 of 2011, Fireworks Safety General Rules, NFPA 1124, and NFPA 101, you may be issued a citation. At any time your retail sales location is found to be non-compliant you may be issued a citation and/or charged with a misdemeanor.

10. Question: Under what circumstances may I request a refund?

Answer: Rule 7. Refunds of **100%** of the certificate application fee are permitted only under either of the following conditions:

- (a) When a duplicate payment is submitted.
- (b) Payments received without submitting an application.

Refunds requests submitted due to the death of the certificate owner will be considered for a 70% refund of the certificate application fee. The refund application request must be received in BFS prior to any inspection. A copy of the death certificate and executor authorization shall be submitted with the online refund request.

11. Question: Can I transfer the ownership of my consumer fireworks certificate?

Answer: Yes, you may transfer ownership for a consumer fireworks certificate. Transfers of ownership are available for permanent facilities and temporary facilities. An ownership transfer may occur when the certificate holder wishes to transfer the certificate ownership to another individual. Once the transfer has been approved and processed the new owner then becomes responsible for the retail sales location including all safety fee reporting and code compliance.

- The new certificate owner must submit an online ownership transfer application by logging onto your existing fireworks account or if needed by creating a new fireworks account.
- Both the original owner and new owner will submit an ownership transfer affidavit. The affidavits are 2 separate forms, one for the original owner (found on our website) and one for the new owner (produced at the time the application is submitted online).
- The transfer affidavit documents must be notarized.
- The new owner is responsible for the \$25.00 transfer of ownership fee.

12. Question: Can I transfer my consumer fireworks certificate location?

Answer: Yes, you may transfer the location of a consumer fireworks facility. A location transfer may occur when the retail sales location is moving.

- You must submit an online location transfer application by logging in to your fireworks account. PLEASE NOTE: The location transfer online application must be submitted no later than June 1. No transfer applications will be permitted after June 1.
- You will submit the transfer a consumer fireworks facility location fee of \$25.00 online through your fireworks account.

13. Question: Who do I contact if I have more questions?

Answer: You may refer to the <u>Bureau of Fire Services Fireworks Program home page</u> for information related to fireworks and access to forms. Tutorials are also posted on our website that will walk you through each step of the application, refund, transfer, fire safety fees processes. These tutorials may address many of your questions.

You may call Bureau of Fire Services main phone line at 517-241-8847; or you may also call the fireworks phone line at 517-373-7441. From February thru July we experience a heavy call volume and encourage you to submit inquiries via email to fireworks@michigan.gov.

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