

MICHIGAN TOBACCO SECONDARY WHOLESALER E-FILING SYSTEM INSTRUCTIONS

WELCOME!

Electronic Filing Program Benefits

Treasury has designed an Electronic Filing (E-File) for the electronic filing of tobacco tax returns. Advantages of Treasury's E-File Program include:

- Elimination of cost and time to generate, sign and mail returns.
- Rapid and secure receipt of tobacco tax returns data allowing for faster processing and response.
- Comprehensive audit trail for the return.
- Elimination of postal delays and possible late filing fees.
- Allows Treasury to implement a tobacco tracking system. This enables the Department to track tobacco and reduces tobacco tax fraud, which keeps tobacco tax evaders from undercutting honest tobacco marketers.

Valid Transmission Methods

Treasury will only accept electronic tobacco tax returns and informational reports transmitted via the Internet. No magnetic tape filing or data stored on a floppy diskette will be accepted.

Web Direct Filing

Web direct filling is available for all filers. Web direct filling allows you to complete your tax return forms online. You must enter in all required tax return/informational report information on each schedule form. Depending on the schedules you are required to file based on your license type, this may include entering all required detail data on each shipment of tobacco.

Security

Treasury's tobacco E-Filing Program uses the Internet to receive and transmit tobacco tax returns and informational reports. It incorporates the following technological attributes to ensure data security: User-ID, Password, Data Encryption, Electronic Signature (Authorization and Security Codes), and Confirmations. Each Electronic Participant must also use security procedures that are reasonably sufficient and use its best efforts to ensure that all transmissions of tobacco tax returns and reports are authorized. An Electronic Participant must take the necessary precautions to safeguard their technological attributes and notify Treasury at (517) 636-4630 when they have knowledge that the technological attributes have been compromised or a change in an authorized representative has occurred.

Requirement to Provide FEIN

Information Providers are required to obtain and report the FEIN (Federal Employer Identification Number), or Michigan Treasury assigned account number (TR or ME number) of all persons involved in a reportable tobacco transaction. An Information Provider is also required to furnish its FEIN, upon the request of another Information Provider involved in a reportable tobacco transaction.

Timely Filing

All monthly returns and reports must be filed on or before the 20th day of the month following the month in which the transaction took place. Example, for March transactions, the Tobacco Tax report/return is due by April 20th. Treasury bases timeliness of the return on the Acceptance Date of the electronic tax return.

Acknowledgments

File acknowledgements will be provided immediately upon the filer's successful submission of a Tax Return via the Michigan Internet file submission Web Page. Each Filer will receive a confirmation number verifying the successful receipt of submitted filing. All transmission or data errors will result in the filer being contacted to correct and resubmit report submissions.

Amendment Returns

Amended returns are to be filed in the same manner as the original return. **Electronic amendment submissions should provide only those schedule details representing / identifying the corrected shipments.** Errors that are identified by Treasury or discovered by the Electronic Participant should be corrected and submitted with the current month's file or as a supplemental transmission that includes only the corrections. Regardless of whether the error corrections are made on the current month's filing or by filing supplemental data, the preferred method for reporting corrections is to report a reverse entry to back out the original reporting, followed by an entry to report the corrected data.

Important Tips

- Failure to file a Secondary Wholesaler of Cigarettes or Other Tobacco Products informational return will subject you to a \$10.00 penalty per day (not to exceed \$400) as provided by The Tobacco Products Tax Act.
- Please make certain that the information on the tax return is correct before filing electronically. The information reported on the front of the tobacco Tax Return must be supported by the detail information found on the proper schedules.
- Please provide complete information. Do not shorten names or cities unless an abbreviation is required.
- You **must** enter the invoice number on each schedule.

System Requirements:

The following will need to be completed before access to the electronic filing system can be made.

Install Microsoft Virtual Machine from the MVS Express Website

Type www.mvsexpress.com into your address bar or click on the link here.

Click on [Download JVM here](#)

Next follow the link labeled "Click here to Download." This will bring up the File Download box.

Click on the Open Button.

When the Winzip box appears click on the button that says **I Agree**.

Double click on msjavx86.exe.

To install Microsoft Virtual Machine click the Yes button.

The End-User License Agreement will appear next. Click the Yes button.

Installation is complete. Click the OK button.

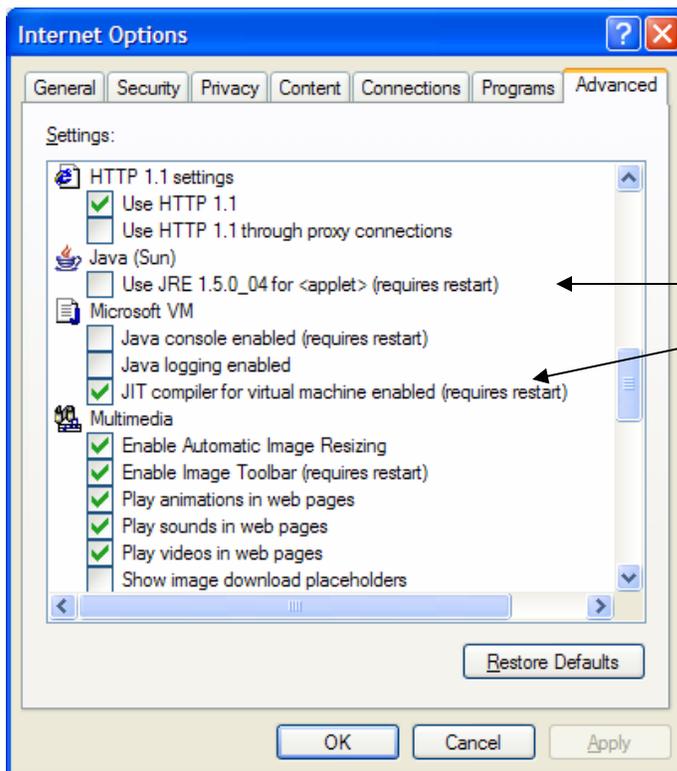
****VERIFY SETTINGS FOR INTERNET EXPLORER****

Make sure that your settings on Internet explorer look like the image shown below. You can access this box by clicking on Tools -> Internet Options -> Advanced Tab. Scroll down until you see the section pictured in the image.

Make sure that Java (Sun) – the One box below that heading is **NOT** checked.

Microsoft VM heading has three boxes below it. Make sure that the third box is checked. (See image).

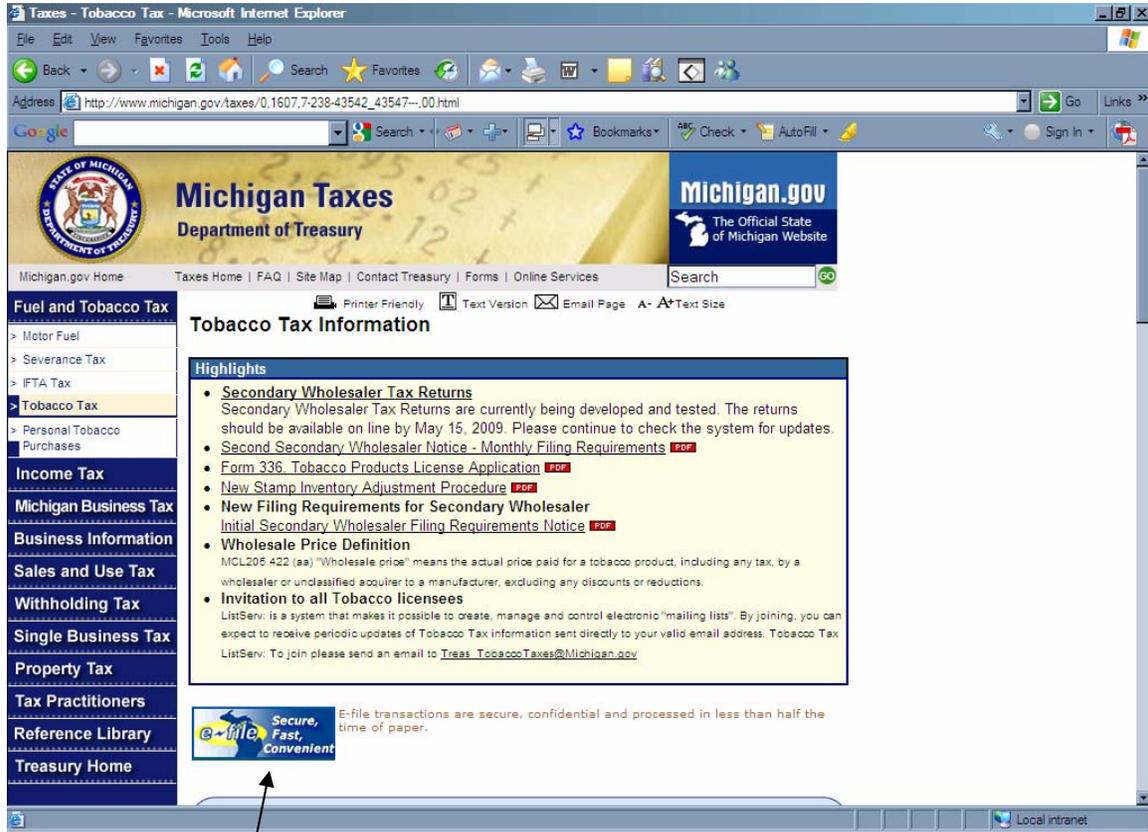
These are the only two headings that need to be evaluated.



Make sure all programs are closed on your computer and restart your computer. This will finish the process and you should be able to log on to the website now.

Filing Process

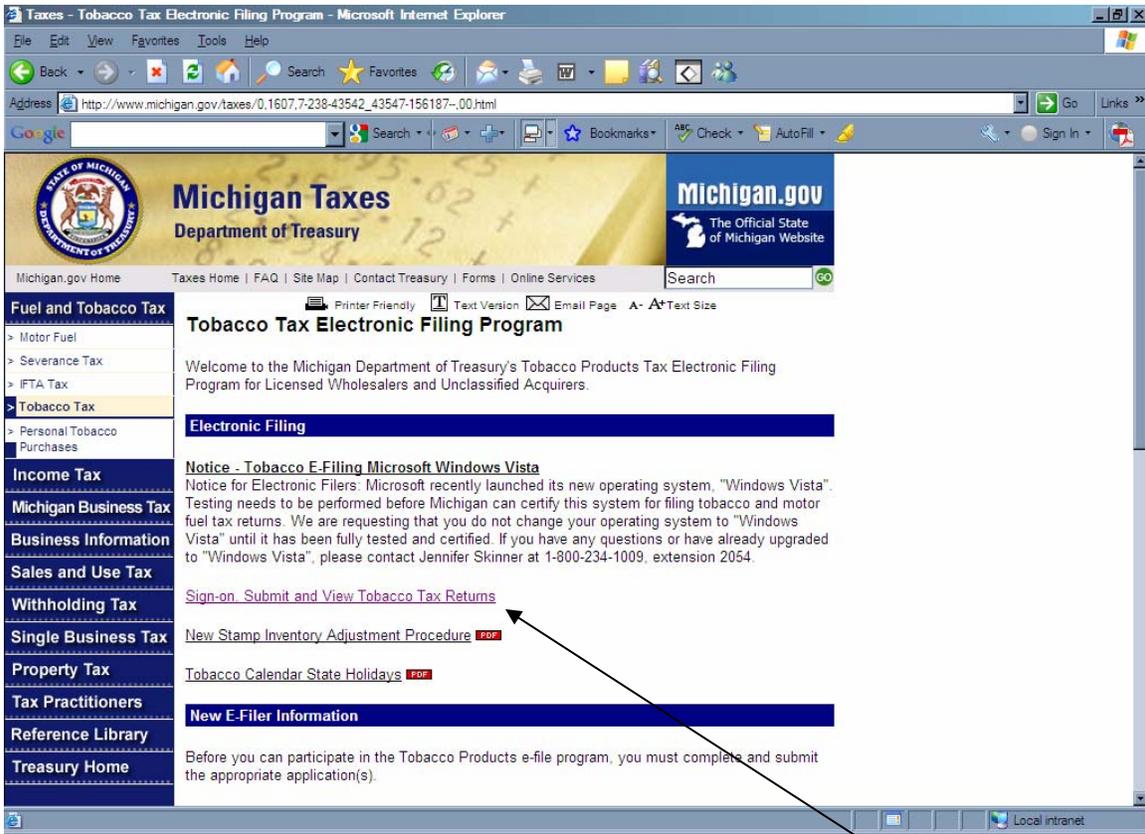
Log on to the Tobacco Tax website at www.michigan.gov/tobaccotaxes



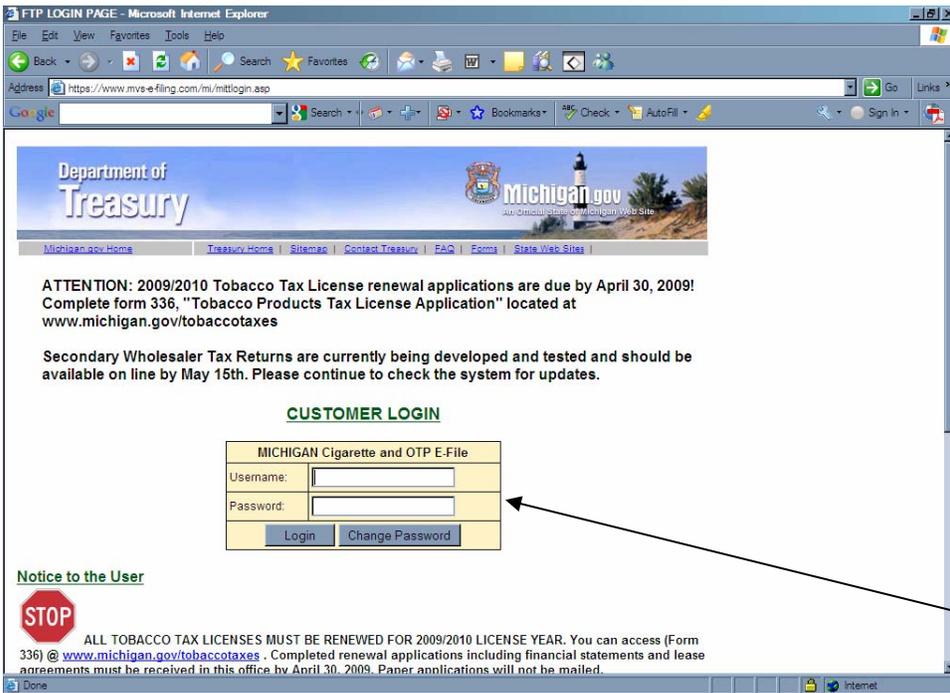
Click here to begin.



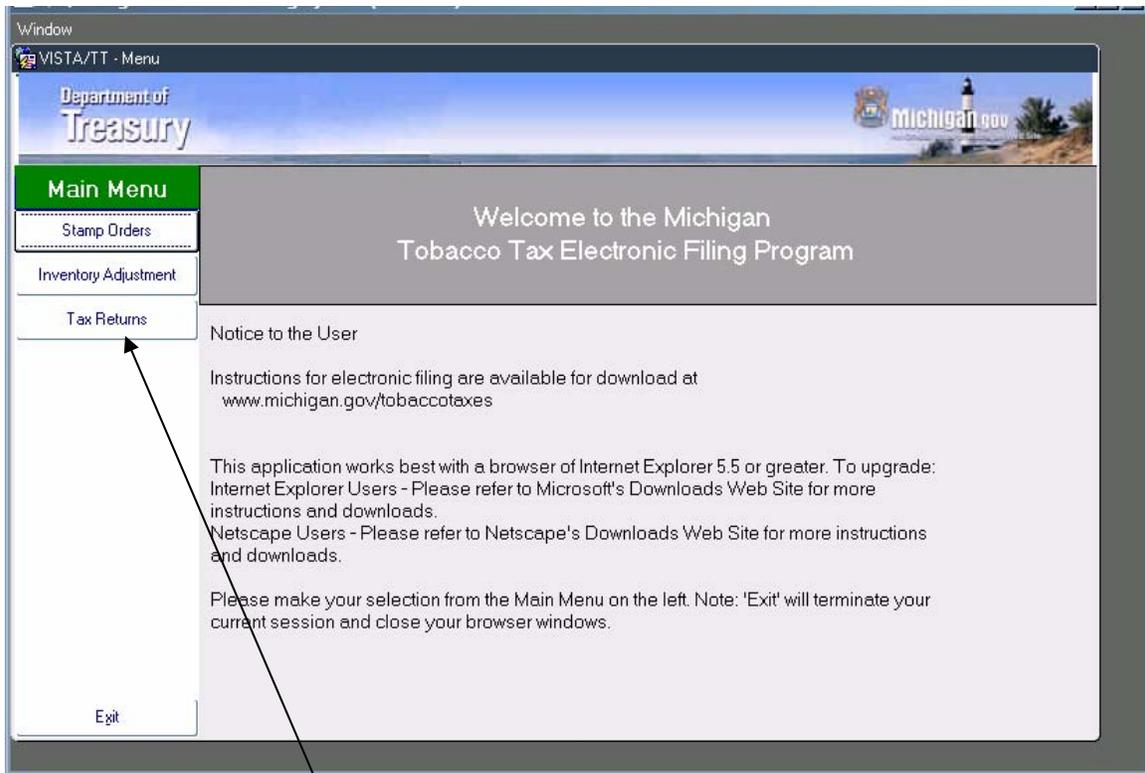
Select **Tobacco Taxes E-File**



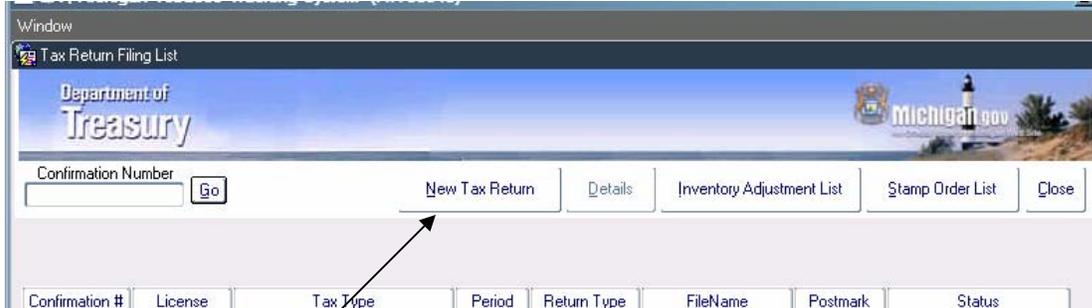
This is your portal to E-Filing and viewing previously transmitted monthly returns.



Enter the Username and Password provided to you by the Tobacco Tax Unit. Your password will need to be changed the first time you log in to the system. This new password will never expire.



Select **Tax Returns** to begin.



Select **New Tax Return**.

**** Start your electronic filing process with your January 2009 information. After submitting your first return, proceed with filing in date order, January 2009 followed by February 2009, and so on. This will ensure that your beginning and ending inventory totals are accurate.

Window
Account Selection

Department of Treasury

Michigan.gov

Create a New Tax Return Close

Account: [DEFAULT]

Tax Type: Secondary Wholesalers Cigarette
Secondary Wholesalers OTP

Return Period: May, 2009

Return Type: Original

Account Selection Criteria
 Account Name
 License
 FEIN

Account: DEFAULT

Tax Type: Choose either Secondary Wholesalers Cigarette, or,
Secondary Wholesalers OTP

Return Period: Choose from the drop down list for the month of activity you are reporting.

Return Type: Choose Original, or, Amendment

You will receive a confirmation pop-up verifying you wish to proceed, click **OK**.

Window
Tax Return

Department of Treasury

Michigan.gov

Schedule Print Delete Submit Calculate Save Close

Michigan Department of Treasury Secondary Wholesalers Cigarette Tax Return

Name: [] FEIN/SSN: [] License: [] Month/Year: 05/2009 MI

Confirmation #:	00048550001	Tax:	SC	Return Type:	Original	Seq:	1	Status:	Not Requested	Access:	Update	Postmark Date:	05/13/09
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PART 1: CIGARETTE INVENTORY RECONCILIATION

1. Beginning Inventory	\$0.00
2. Stamped Tax Paid Purchases (receipts) (from C-101b & C-101c)	\$0.00
3. Total Available (add lines 1 and 2)	\$0.00
4. Sales from Tax Paid Inventory (from C-108c)	\$0.00
5. Ending Inventory (subtract line 4 from line 3)	\$0.00

The Face Sheet of the Secondary Wholesaler Informational Report will appear.

Manually enter your **Beginning Inventory** on line #1.

Note the **Confirmation #** for the Report, it is unique to individual Report. Click **Schedule**.

Click **ADD**. This will activate your drop down arrows to choose Schedule type, Branch, and Tax Type (on second line). All other fields must be manually completed.

Schedule Types and what they mean:

(These are the ONLY schedules Secondary Wholesalers will be using)

C-101b: Schedule of Michigan Stamped Tax Paid Purchases

T-101b: Schedule of Michigan Tax Paid Other Tobacco Product Purchases

C-101c: Schedule of Returned Stamped (tax paid) Cigarettes from Michigan Customers

T-101c: Schedule of Returned Tax Paid Other Tobacco Product from Michigan Customers

C-108c: Schedule of Cigarette Sales from Tax Paid Inventory

T-108c: Schedule of Other Tobacco Product Sales from Tax Paid Inventory

Once you have entered the information in the bottom half of the screen, click **Save**. The information will populate on the middle of the form. Repeat until all activity for that month has been entered.

Once all activity for the reporting month is entered, click **Close**.

*****NOTE: You may enter and exit a return as often as you like. It can be edited until the Submit button is pressed. After the Submit button is pressed you can no longer add, change or delete detail information.*****

Michigan Department of Treasury		Secondary Wholesalers Cigarette Tax Return	
Name:	FEIN/SSN:	License:	Month/Year: 05/2009 MI
Confirmation #: 00048551001	Tax: SC	Return Type: Original	Seq: 1 Status: Not Requested Access: Update
Postmark Date: 05/13/09			
PART 1: CIGARETTE INVENTORY RECONCILIATION			
1. Beginning Inventory			\$275,000.00
2. Stamped Tax Paid Purchases (receipts) (from C-101b & C-101c)			\$17,500.00
3. Total Available (add lines 1 and 2)			\$292,500.00
4. Sales from Tax Paid Inventory (from C-108c)			\$28,500.00
5. Ending Inventory (subtract line 4 from line 3)			\$264,000.00

All information entered for the Schedules will populate on the Face Sheet.

The **Ending Inventory** will auto-calculate.

Click **Save**.

Click **Submit**. When the submit button is pressed you will be prompted to enter your password. This is the same password that you use to log in to the Michigan Tobacco System.

When a file is submitted it will go into a Server Success status. This means that the file has been transmitted to the State of Michigan but is not yet been moved into the financial systems for Michigan. After a file has been sent to the financial system for Michigan the Status will change to a Successful status.

This process will be repeated for each month of activity. Only enter information that pertains to that month.

If you discover errors or additional information AFTER the report has been submitted, you will create an **AMENDMENT** to report that activity.

You **MUST** submit an Informational Report for each month you are licensed as a Secondary Wholesaler of Cigarettes and/or Other Tobacco Products, beginning with January 2009.

State of Michigan Tobacco Tax Unit Contact Info:

Phone – (517) 636-4630

Fax – (517) 636-4631

Address: Michigan Department of Treasury

P.O. Box 30748

Tobacco Tax Unit

Lansing, MI 48922

Email Address - treas-tobaccotaxes@michigan.gov

Website Address – www.michigan.gov/tobaccotaxes