



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

Letter of Inquiry Concerning Michigan Taxes

December 9, 2016

Why You Are Receiving This Letter

Effective January 1, 2017, the State of Michigan's gasoline tax will increase by 7.3 cents per gallon and the diesel tax will increase by 11.3 cents per gallon (Public Act 176 of 2015). Under Michigan law, whenever the tax imposed on gasoline or diesel fuel is increased, previously taxed fuel held in storage is subject to the tax increase and tax must be reported and paid to the Department of Treasury based on the increase.

How to Respond

Complete the *Gasoline and Diesel Fuel Inventory Report* (Form 4010) concerning the gasoline and diesel fuel that you have in storage. "Dead storage" is the amount of motor fuel that cannot be pumped out of a motor fuel storage tank because the motor fuel is below the mouth of the tank's draw pipe. The amount of motor fuel in dead storage is 200 gallons for a tank with a capacity of less than 10,000 gallons and 400 gallons for a tank with a capacity of 10,000 gallons or more. For additional information see Frequently Asked Questions at www.michigan.gov/motorfueltax.

Once you complete Form 4010 and have determined the amount of additional motor fuel tax due, submit Form 4010 with your check for the additional tax. Make your check payable to "State of Michigan" and print your Reference # on the front of your payment.

If you are an end-user of motor fuel and you do not have previously taxed gasoline or diesel fuel in storage in excess of 3000 gallons, please check the box on Form 4010 that indicates that you do not have inventory, sign and return the report to the Department.

If you are a seller/retailer of motor fuel and you do not have previously taxed gasoline or diesel fuel in storage, please check the box on Form 4010 that indicates that you do not have inventory, sign and return the report to the Department.

All responses are due no later than **February 20, 2017**. Include the Reference # on all correspondence. Please include contact information with your response.

What Happens If You Fail to Respond

Failure to respond by **February 20, 2017** with the appropriate payments or requested documentation will result in a proposed tax due plus penalty and interest.

If you have questions, contact **auditor** at **517-636-4120** or by email at .