

# 2014 Michigan

## **Streamlined Sales Tax Guide for Certified Service Providers (CSPs) and Certified Automated Systems (CASs)**



Michigan Department of Treasury  
Sales, Use and Withholding Taxes  
Streamlined Sales Tax  
Business Tax Division

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**Michigan Department of Treasury**

Sales, Use and Withholding Taxes\* Streamlined Sales Tax \* Business Tax Division

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## **SECTION 1: INTRODUCTION**

Thank you for your interest in the Michigan Department of Treasury's (Treasury) Streamlined Sales Tax (SST) program for SST Simplified Electronic Returns (SER).

### **Section 1.1 – Benefits**

The State of Michigan became a full member of the SST program on October 1, 2005. The purpose of the SST Agreement was to simplify and modernize sales and use tax administration in the member states in order to substantially reduce the burden of tax compliance. The Agreement focuses on improving sales and use tax administration systems for all sellers and for all types of commerce through the following:

- State level administration of sales and use tax collections.
- Uniformity in the state and local tax bases.
- Uniformity of major tax base definitions.
- Central, electronic registration system for all member states.
- Simplification of state and local tax rates.
- Uniform sourcing rules for all taxable transactions.
- Simplified administration of exemptions.
- Simplified tax returns.
- Simplification of tax remittances.
- Protection of consumer privacy.

## SECTION 2: CONTACT INFORMATION

Streamlined Sales Tax (SST) Governing Board(SSTGB) Website	<a href="http://www.streamlinedsalestax.org/">http://www.streamlinedsalestax.org/</a>
MI Streamlined Sales Tax Website	<a href="#">MI Streamlined Sales Tax Project</a>
MI Registration for Simplified Electronic Return (SER)	<a href="#">MI Registration for Simplified Electronic Return</a>
Michigan Department of Treasury Website	<a href="http://www.michigan.gov/treasury">http://www.michigan.gov/treasury</a>
Michigan SST Test Deck Tax Calculations Testing	<b>Primary Contact:</b> Nancy Hill <b>Email Address:</b> <a href="mailto:HillN@michigan.gov">HillN@michigan.gov</a> <b>Phone:</b> (517) 636-4251 <b>Fax:</b> (517) 636-4254
	<b>Secondary Contact:</b> Patricia Calore <b>Email Address:</b> <a href="mailto:CaloreP@michigan.gov">CaloreP@michigan.gov</a> <b>Phone:</b> (517) 241-2961 <b>Fax:</b> (517) 241-3825
<b>SST SER End-to-End Testing - Including:</b> *User ID and Password resets *Test results	<b>Primary Contact:</b> Daniel Shaw <b>Email Address:</b> <a href="mailto:MI_StreamlinedSalesTax@michigan.gov">MI_StreamlinedSalesTax@michigan.gov</a> <b>Phone:</b> (517) 636-6925 <b>Fax:</b> (517) 636-4378
TIGERS (SSTGB) Schema Sets	<a href="http://www.statemef.com">www.statemef.com</a>
Treasury account specific questions pertaining to Sales, Use and Withholding Taxes (SUW) and Electronic Funds Transfer (EFT)	<b>SUW - Phone:</b> (517) 636-6925 <b>EFT - Phone:</b> (517) 636-4730
SST General Inquiries	<a href="mailto:MI_StreamlinedSalesTax@michigan.gov">MI_StreamlinedSalesTax@michigan.gov</a>
SST Technical Issues/Questions/Troubleshooting	<a href="mailto:MI_StreamlinedSalesTax@michigan.gov">MI_StreamlinedSalesTax@michigan.gov</a>

This contact information is provided for Certified Service Providers (CSPs), developers and users of Certified Automated Systems (CASs), and sellers who develop their own proprietary automated software systems also certified as a CAS, enabling Treasury to provide better service to these developers and filers.

Treasury SUW staff is unable to provide return status information or address specific taxpayer account issues. Specific taxpayer account issues should be directed to the SUW EFT Unit. Should an error occur on the Michigan return during mainframe processing, Treasury will communicate directly with the taxpayer through the regular error resolution process. Treasury will discuss return situations with a CSP only when the appropriate authorization has been provided.

Treasury does not recommend sending account-specific information over the Internet. Federal and State disclosure laws require that taxpayer privacy and confidential records are protected. Therefore, Treasury will not send account-specific information over the Internet in response to an e-mail inquiry.

CSPs, CAS developers, and sellers who develop their own proprietary automated software systems should use the guidelines provided in this publication along with the SST schemas published electronically on Michigan's secure Web site for automated systems in order to develop software for use in the SST SER Program.

All authorized CSPs, CAS developers and users, and sellers who develop their own proprietary automated software systems must be diligent in recognizing and preventing fraud and abuse in the e-file program. Neither the program nor participants benefit when fraud or allegations of abuse tarnish the integrity and reputation of the program. Please refer to IRS [Publication 4557 Safeguarding Taxpayer Data, A Guide for Your Business](#), and [Publication 4600 Safeguarding Taxpayer Information](#).

### **SECTION 3: DEVELOPER RESPONSIBILITIES**

- CSPs must compute the SER according to Michigan's test deck calculations and complete end-to-end testing.
- CSPs, CAS users, and sellers who develop their own proprietary automated software systems are responsible for the accuracy and content of all data transmitted (by the CSP or the seller directly) through the test or production secure channels accessed from Treasury's Web site.
- Payment for the SER must be submitted by ACH Credit or ACH Debit and be included in the SST transmission. Refer to Section 6.2 and 6.3 of this document for additional details.
- Refund requests will not be processed using the SER transmission. All refund requests must be made in writing and submitted to Treasury. Refer to section 6.5 of this document for additional details.

Please refer to the following Web sites and publications for tables and related information that will be of help when developing your software program.

- Streamlined Sales Tax Web page: [www.streamlinedsalestax.org](http://www.streamlinedsalestax.org)
- *Publication 5157, Streamlined Sales Tax Guide for Certified Service Providers (CSPs) and Certified Automated Systems (CASs)*
- IRS [\*Publication 4557 Safeguarding Taxpayer Data, A Guide for Your Business\*](#)
- IRS [\*Publication 4600 Safeguarding Taxpayer Information\*](#)

## SECTION 4: PUBLICATIONS

### Section 4.1 - State Taxability Matrix

Michigan's State Taxability Matrix is viewed via the link to Michigan from the following Web page <http://www.streamlinedsalestax.org/otm/>

### Section 4.2 - State Tax Rate

Michigan has no city, local, or county sales/use taxes. The state sales and use tax rates are 6%. Additional information on Michigan sales and use taxes is available at [www.michigan.gov/taxes](http://www.michigan.gov/taxes).

All CSPs must perform software testing with Treasury prior to transmitting production files. The testing process will test and certify data receipt, data security, determination of exemptions and accurate tax calculation.

**SECTION 5:  
FILING OF SIMPLIFIED ELECTRONIC RETURN**

## Section 5.1 - Tax Calculation Testing for CSPs

Transactions used to test the CSP candidates shall be compiled into spreadsheets (test decks) to be submitted through the upload/download process in the comma delimited text format (.csv) with no header row and with the fields defined in accordance with the Streamlined Sales and Use Tax Agreement (SSUTA), Appendix E. Commas should not be embedded in any field.

The purpose of the test deck is to validate rates, tax calculations, and SKU taxability. Entries in the test deck shall accurately represent actual business transactions. Treasury shall establish a test deck to represent a core set of retailers based on the types of retailers doing business in Michigan.

When requested, Treasury will provide a test deck to a CSP candidate. Upon completion of processing, the CSP candidate shall notify Treasury that the updated test deck is available for retrieval. Treasury shall retrieve the data and compare the actual results with the expected results.

### **CSP test deck output files submitted to Treasury must follow the following naming convention:**

014TD20100101R.csv	014	= last three digits of CSP SSTID
	TD	= test deck
	20100101	= date (YYYYMMDD)
	R	= results
014TD20100101E.csv	014	= last three digits of CSP SSTID
	TD	= test deck
	20100101	= date (YYYYMMDD)
	E	= errors

## Section 5.2 - End-to-End Testing for CSPs

After accuracy of tax calculations has been approved by Treasury, end-to-end testing will be reviewed and approved by Treasury. The e-file test SER consists of two scenarios based on Michigan's test deck. Both test SERs will include the same test data and will differ only in the assumed date of submission and inclusion of penalty and interest for late filing. The test returns must include payment information conforming to the TIGERS XML format. For testing purposes, all of the exemption and deductions fields have been defined in the test SER.

Utilizing a User ID and password obtained by visiting [Treasury's SST SER Web site](#), and selecting "Streamlined Sales Tax (SST) Simplified Electronic Return (SER)" in the "What's New" section and then selecting "Register for Michigan SST SER E-file to Receive Your User ID and Password". A CSP may transmit as many e-file test returns as necessary until all tests are accepted and no error messages are sent back by Treasury. Upon completion of a successful transmission, Treasury will review the submitted test SER and send e-mail results to the CSP within 24 to 48 hours (excluding weekends and holidays).

## Section 5.3 - Filing Location

A User ID and password is required to log onto the SST SER submission Web page. The User ID and password can be obtained only after a CSP, CAS user, or seller who develops their own proprietary automated software system has registered with the Streamlined Sales Tax Governing Board (SSTGB).

Test files and production files are submitted using different secure channels accessed from Treasury's Web site [www.michigan.gov/streamlined](http://www.michigan.gov/streamlined). Select "Streamlined Sales Tax (SST) Simplified Electronic Return (SER)" in the "What's New" section.

## **SECTION 6: PAYMENTS OR REFUNDS**

### Section 6.1- Streamlined Sales/Use Tax Due Dates

SST payments are due on or before the 20<sup>th</sup> day of the month following the tax period being reported (for example; taxes reported for June sales are due on July 20<sup>th</sup>). If, however, the due date for a payment falls on a Saturday, Sunday, or a legal holiday for Treasury, the payment is due the next business day. Holidays observed by Treasury are listed in the Appendix ([Form 3149](#)). The return header includes an “electronic postmark” to be supplied by the CSP. This postmark represents the date/time that the CSP received the filing data from the taxpayer or Electronic Return Originator (ERO). It is intended to protect the taxpayer and the CSP in the event that the CSP or Treasury experience technical difficulties such that the CSP is unable to transmit the returns to Treasury by the due date. In this case, Treasury would agree to accept the electronic postmark as the date received, in order to determine whether the return was timely filed. Any return not acknowledged by Treasury as “accepted” is considered not filed.

After an electronic return is acknowledged as accepted, it cannot be retracted, intercepted or changed in any manner. If either the CSP or taxpayer wishes to change any entries on an accepted electronic return, an amended return must be filed.

Taxpayers who had total sales or use tax liability of \$720,000 or more in the immediately preceding year are required to pay on an accelerated basis. See Section 6.4, Prepayment Requirements for additional information.

### Section 6.2 - Payment by ACH Debit

The SST submission authorizes Treasury and its authorized contractor to use the EFT process to withdraw the specified payment amount from the designated financial institution and account. Only withdrawals authorized by the CSP, CAS user, or sellers who develop their own proprietary automated software systems through the SST SER will be made. The submission must comply with the National Automated Clearing House Association (NACHA) Rules and Regulations for EFT as they exist on the date of submission or as subsequently adopted, amended or repealed. Michigan law governs EFT transactions authorized by this agreement in all respects except as otherwise superseded by federal law.

Payments processed through this Web site are intended only for domestic ACH payments not associated with an account at a foreign financial institution. ACH payments associated with a foreign financial institution are classified as International ACH Transactions (IAT). If your domestic account is funded or otherwise associated with a foreign account you must pay via an alternate payment method. Contact your financial institution if you have any questions about your account.

All ACH Debit files must include the following elements and/or information in order to transmit successfully and prevent rejection under Michigan's Business Rules:

**Addenda Information:** All ACH Debit files excluding the <AddendaRecord> will be rejected under Michigan Business Rule 261002.

**Taxpayer Identification Number:** In addition to the information above, the <Taxpayer Identification> is required in the <AddendaRecord>. If this element is not present, the entire file will be rejected under Michigan Business Rule 261003

**Settlement Date:** All ACH Debit files must use a <RequestedPaymentDate> that is at least 1 business day greater than the current date, but no more than 90 days greater than the current date. Invalid settlement dates will be rejected under Michigan Business Rule 261004.

**Identification Number:** ACH Debit transactions must include the <IdentificationNumber> element as part of the <FinancialTransaction><StatePayment>. If the <IdentificationNumber> element is not present, the entire file will be rejected under Michigan Business Rule 261004.

A complete list of Michigan specific Business Rules can be found in section 7.2 of this guide.

Although the schema has provisions for bulk payments, Treasury will not accept bulk payments at this time.

Financial institutions may offer a service referred to as "Debit Blocking" or "Debit Filtering" to their business account owners to prevent unauthorized debits (withdrawals). If an account has a debit block or filter, any unauthorized debit transactions will be returned unpaid. Most financial institutions offer the option of removing the blocker for certain debits when they are providing specific information about the transactions to be authorized.

If you have a Debit Block or Filtering Service on your account you must access your Debit Block or Filtering settings or contact your financial institution and have the ACH transaction identified with the State of Michigan ID 9659083002 authorized to debit your account. Failure to make these arrangements will result in your payment being rejected.

## Section 6.3 - Payment by ACH Credit

To use this method, you must contact your financial institution and request that it initiate a credit transmission to the designated Treasury bank account. Contact your financial institution for information concerning its ability to initiate ACH Credit payments.

Please send a \$0.00 ACH Credit transmission (\$0.01 if your financial institution requires an amount entered), completely formatted, as a test to the State of Michigan bank account using credit transmissions. You may verify a successful test transmission by calling Treasury's EFT Unit at (517) 636-4730 at least one business day after the settlement date of your payment or verify the amount was debited from your account by contacting your financial institution or reviewing your bank account statement. You may begin remitting SST using ACH Credit after Treasury has verified a successful test transmission.

### **Transmission Information Detail:**

- Make credit transmissions to the State of Michigan
- Routing Transit Number: 072000326 for JPMorgan Chase (Detroit)
- Bank Account Number: 9659083002

Many financial institutions require at least 24 hours advance notice before a transmission is completed. Contact your financial institution for proper lead times and specific deadlines.

Your financial institution will need to know the format for the addenda portion of the transmission. The State of Michigan has adopted the following CCD+ format:

Field	Content
Segment Identifier	“TXP”
Separator	“*”
TXP01	Streamline Sales Tax Identification Number, Federal Employer Identification Number or Michigan Established or Michigan Treasury Number (SSTID, FEIN, ME or TR)
Separator	“*”
TXP02	Tax Type Code 04040 Streamlined Sales Tax
Separator	“*”
TXP03	Tax period end date. Period for which tax was accrued in “YYMMDD” format
Separator	“*”
TXP04	Amount type. “T” for Tax
Separator	“*”
TXP05	Amount of tax being paid in “\$\$\$\$cc” format. (“cc,” cents must be filled in even if you transfer whole dollar amounts.)
Separator	“*”
TXP06	Amount type. “P” for Penalty
Separator	“*”
TXP07	Amount of penalty being paid in “\$\$\$\$cc” format. (“cc,” cents must be filled in even if you transfer whole dollar amounts.)
Separator	“*”
TXP08	Amount type. “I” for Interest
Separator	“*”
TXP09	Amount of interest being paid in “\$\$\$\$cc” format. (“cc,” cents must be filled in even if you transfer whole dollar amounts.)
TXP10	“\” TXP10 is a mandatory field. No character(s) should follow the terminator character:”\”.

**Note:** Fields TXP06, TXP07, TXP08 and TXP09 are optional and only need to be completed if penalty and/or interest are being paid.

## Section 6.4 - Prepayment Requirements

Taxpayers who had total sales or use tax liability of \$720,000 or more in the immediately preceding year are required to pay on an accelerated basis.

Schedule for accelerated sales and use tax filers:

- A transmission of 75 percent of the previous month's tax liability or 75 percent of the prior tax year's liability for the same month.
- A reconciliation payment is due on or before the 20<sup>th</sup> day of the subsequent month.

For more information, see PA 17 and 18 of 1993, as amended and PA 265, 266 and 267 of 1998 on the [Michigan Legislature's Web site](#).

**PLEASE NOTE:** Effective January 1, 2015, MI will no longer accept "New Pre-Payments" through SER filings. Accelerated Payment filers can remit pre-payments via electronic funds transfer (EFT). Click the provided link for additional information on remitting payments through EFT. [Business Electronic Funds Transfer \(EFT\) Payments](#)

## Section 6.5 - Refund Requests

Treasury requires all refund requests to be submitted in writing. Refund requests should contain a brief explanation of the activity creating the overpayment. Treasury does not process refund requests made through the SER filing process. Refund requests should be mailed to:

*SUW Customer Contact Division  
Michigan Department of Treasury  
P.O. Box 30427  
Lansing, MI 48909*

## SECTION 7: ACKNOWLEDGMENT SYSTEM

### Section 7.1 Error Codes

Upon receipt of a successful transmission Treasury will process the file and generate a file acknowledgment. The file acknowledgment is issued almost immediately after completion of the transmission and is displayed on the secure Web page. If a transmission is rejected, the message displayed will identify the error(s) encountered in the file transmission. The CSP, CAS users, and sellers who developed their own proprietary automated software systems should correct and retransmit the file until it passes the schema validation process. Production and test submissions will receive the same error messages or acknowledgments. In addition to a total file acknowledgment, Treasury will provide a unique acknowledgment for each individual taxpayer submission. Treasury will maintain a history of transaction acknowledgments for each individual taxpayer submission, accessible by the taxpayer from the SST SER login screen.

Treasury will validate the schema form (format of XML submission) for all SST SER submissions. Upon acceptance of the schema form, the file will be validated against error conditions specified by the SSTGB and Treasury. Specific error codes indicate error conditions that are not addressed by the constraint of the schema validation, but by the business rules established by the SSTGB and Treasury. The SSTGB has established the following error conditions and resulting codes.

<b>Error Code</b>	<b>Business Rule/Error Message</b>	<b>Rejection Level</b>	<b>Form Types</b>
000001	The transmission file is not well formed/Parser reports verbose error.	Transmission	All
000002	The transmission does not validate/One or more documents failed the schema validation.	Transmission	All
000003	File was empty (contained 0 bytes).	Transmission	All
000004	Content Missing/Missing Content-Type value.	Transmission	All
000005	The FIPS Code must be valid for 'receiving state.'	Item	All
000007	Production/test code does not match Transmitter profile/The Process Type <value> does not match the transmitters profile process type <value>.	Transmission	All
000008	The TransmissionHeader count element must equal the total number of SSTP Documents in the Transmission.	Origin	All
000011	The SSTID on a New Registration is already in the database.	Item	RegNew

<b>Error Code</b>	<b>Business Rule/Error Message</b>	<b>Rejection Level</b>	<b>Form Types</b>
000012	The ETIN provided at system Logon did not match the transmitter ETIN provided in the Transmission Header.	Transmission	All
000013	Transmission not valid for transmission type	Transmission	All
000014	The SSTPID is not in the database. Taxpayers are required to register using the RegNew process prior to submitting any other file.	Item	All except RegNew
000015	Duplicate transmission	Transmission	All
000016	Filing Type in Header must match schema(s) of document	Item	Registration and SER and/or Payment
000017	The AcknowledgementHeader count element must equal the total number of Acknowledgments	Transmission	SSTP Acknowledgement
000020	PaymentAmount in bulk payment does not equal the sum of TXPAmount elements in AddendaRecord for each taxpayer	Item	Financial Transaction
000021	TransmissionPaymentHash in TransmissionHeader does not equal sum of all payments in the Transmission	Transmission	All
000022	ACH Settlement Date Out of Range/ACH Debit payments cannot be warehoused more than 90 days.	Item	Financial Transaction
000023	UserID/Password failed authentication.	Transmission	SOAP Header
000024	SSTPID required for filer/State does not accept SER or payment with state identification number – must be registered with SST and have valid SSTPID	Item	SSTPFiling Header
000025	StateTaxDueFoodDrug must equal zero.	Item	SER
000026	StateID is not valid.	Item	SSTPFiling Header

## Section 7.2 - Michigan State Specific Error Codes

In addition to the minimum required error codes, Michigan has created the following State specific error conditions and resulting codes.

<b>Error Code</b>	<b>Business Rule/Error Message</b>	<b>Rejection Level</b>	<b>Form Types</b>
261001	Michigan does not accept ACH Debit payments for an IAT Transaction	Transmission	Financial Transaction
261002	When making an ACH Debit transaction the AddendaRecord is required	Transmission	Financial Transaction
261003	When making an ACH Debit transaction TaxpayerIdentification is required in the AddendaRecord	Transmission	Financial Transaction
261004	Settlement date must be less than 90 calendar days from current date.	Transmission	Financial Transaction
261005	IdentificationNumber is required with StatePayment	Transmission	Financial Transaction
261006	New Pre-Payment must equal zero (Effective January 1, 2015)	Transmission	SER

## Section 7.3 - Submission Acknowledgment

The acknowledgment screen will display the following information for a successful file transmission:

### **File Submitted Successfully**

Thank you for submitting your Streamlined Sales Tax information. Return information for xxxx has been received by Michigan Department of Treasury.

## SECTION 8: WEB SERVICES IMPLEMENTATION

### Section 8.1 - About Web Services

The Streamlined Sales Tax (SST) Implementation Guide allows two methods for transferring Simplified Electronic Returns (SER)/payments to the member/associate state. These methods are HTTP(S) POST and/or Web Services (SOAP over HTTP transport). The Michigan Streamlined Sales Tax E-file Service now provides transmitters a method of submitting SERs/Payments via Web Services.

**For information related to Streamlined Sales Tax (such as the SST Agreement, amendments, etc.), please visit <http://www.streamlinedsalestax.org/>**

Web Services provide software developers access to functionality over the internet by integrating Web-based applications using the XML, SOAP, and WSDL over an internet protocol. XML is used to tag the data, SOAP is used to transfer the data, WSDL is used for describing the services available and UDDI is used for listing what services are available. Used primarily as a means for businesses to communicate with each other and with clients, Web Services allow organizations to communicate data without knowledge of each other's IT systems.

### Section 8.2 - Michigan's Web Service Platform Elements

**SOAP** – Simple Object Access Protocol: SOAP is an XML based protocol to let applications exchange information over HTTP.

**WSDL** – Web Services Description Language: WSDL is an XML based language for locating and describing Web Services.

**For more information about the service functions provided by Web Services and the process for implementation, please refer to Chapter 11, "Web Service Implementation." in the [SST Implementation Guide](#).**

**To obtain the Web Services Description Language (WSDL), please visit: our Web site at**

**<https://treas-secure.state.mi.us/sstservice/tc03w12ws.svc?wsdl>.**

## Section 8.3 - Instructional Guide for Use

### **A Certified Service Provider (CSP) must perform the following steps:**

1. Obtain certification to be a CSP from the SST Governing Board.
2. Apply for login credentials at [www.michigan.gov/streamlined](http://www.michigan.gov/streamlined)
3. Create a SER/payment file(s) for your clients using the SST XML schemas developed for use in SST.
4. Use a Web Service client to transmit your client's SER/payment file(s) using standard SOAP over HTTP
5. Use a Web service client to retrieve any acknowledgements from the Service.

### **How do I connect to the Michigan SST E-file Service?**

You will need to configure your Web Service client to connect to the Service using the following URL: <https://treas-secure.state.mi.us/sstservice/tc03w12ws.svc>

**NOTE:** Please check to insure the URL in your client starts with https://.

### **How do I test Michigan's SST E-file Services availability?**

As described in the SST Implementation Guide, the Ping Function should be used to determined availability. The following items are a few tips for checking availability of the Service:

1. A security/username token must be sent in the SOAP Header
2. Username and password fields are required
3. All namespaces must be set according to the SST Implementation Guide
4. If a SOAP Fault is thrown, the service is either unavailable or there is a problem with the SOAP request. Please check the details of the fault for more information
5. The name and version of the Service is returned as part of the PingResponse

### **How do I send SERs/Payments to Michigan's SST E-file Service?**

All SERs/payments files must be sent via the Services send function. The following items are a few tips for successfully sending a SER/payment:

1. A security/username token must be sent in the SOAP Header
2. Username and password fields are required
3. All namespaces must be set according to the SST Implementation Guide
4. The SOAP Header's username field must match the transmitter ID in the SSTPTransmission
5. It is highly recommended that only one SSTPDocument be sent per transmission

## Section 8.4 – Security, Availability and Support

### **Security**

Michigan SST Services implements the [WS-Security Standard](#), which is a combination of SSL (HTTPS protocol) and a username/password security token for security and authenticating our Web Service users. Users can rest assured that their credentials will remain secure. A valid WS-Security <Security> SOAP header element must be included in the all requests. This is defined in the [WSDL](#).

### **Availability and Support**

The Web service will be available 24/7 excluding standard maintenance activities. Technical support will be available from the hours of 8:00 am - 5:00 pm EST. Treasury will provide technical support for client implementation issues and general questions regarding Web services. Technical support on Web service development will not be provided by Treasury. To use this service, developers should have a background in Web services development. Please e-mail your technical support questions to our SST office at [MI\\_StreamlinedSalesTax@michigan.gov](mailto:MI_StreamlinedSalesTax@michigan.gov)

### **Disclaimer Information**

By providing this information, neither the State of Michigan, nor Treasury, assumes any liability for any errors or omissions, or in any other respect. If you feel there is an error or have questions regarding the information you have received, please e-mail the SST Office at [MI\\_StreamlinedSalesTax@michigan.gov](mailto:MI_StreamlinedSalesTax@michigan.gov)

## **SECTION 9: REGISTRATION**

### Section 9.1- Introduction

SST is currently available to all businesses who register for the program with the SSTGB. This publication is intended to assist CSPs, CAS developers and users, and sellers who developed their own proprietary automated software systems for sales tax administration. CSPs, CAS software, and all taxpayers who wish to participate in the program must be registered with the SSTGB.

### Section 9.2 - Certified Technology

An important component of the Streamlined initiative is the certification of sales and use tax administration software for business use. There are two types of certified software and each type provides unique benefits for businesses. The first type is known as a Certified Service Provider (CSP). The second type is known as a Certified Automated System (CAS).

A CSP is designed to allow a business to outsource its sales and use tax administration functions. A CSP is defined in the Streamlined Sales and Use Tax Agreement (SSUTA) as: “An agent certified under the Agreement to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases.” The software system of a CSP knows what products and services are taxable, knows the tax rate at which they are taxable, can interface with taxpayer accounting systems, and will file the tax return and pay the tax on behalf of the taxpayer. Each state that is a member of the Streamlined initiative has evaluated the accuracy of the tax decisions and is willing to stand by the accuracy of the decisions they have evaluated. In addition, the states that are members of the SSTGB will pay the CSP to provide their sales and use tax administration services to businesses who meet the SSUTA definition of a volunteer. The Michigan SST program was developed to provide CSPs the opportunity to use Internet and XML technology to file an SER and submit payments using ACH Debit. This publication provides information on how to participate as a CSP in Michigan’s SST Program.

A CAS is defined in the SSUTA as: “Software certified under the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to the appropriate state, and maintain a record of the transaction.” CAS software systems are designed to handle an individual company’s sales and use tax calculations and transactions. Submission of returns and remittances are treated similar to a CSP. Please refer to the SSTGB Web site [www.streamlinedsalestax.org](http://www.streamlinedsalestax.org) for more information on Model 2 or 3 Sellers.

## Section 9.3 - Check List for Business Registration with the SSTGB

To ensure your customers have a positive experience with the [SSTGB registration system](#), they should have the following information available before beginning the registration process:

1. Your Federal Employer Identification Number (FEIN) or Social Security number (SSN) if you do not have an FEIN.
2. Business name, business address and mailing address.
3. State of incorporation or organization.
4. Date when you will start collecting sales taxes.
5. Name, address and phone number of contact person.
6. Your [North American Industry Classification System](#) (NAICS) code.
7. Name of CSP or CAS, if you intend to use one.
8. The states (if any) where you are currently registered to collect sales tax (you also must indicate in which states you will be a non-filer).
9. You will need to create a password to gain access to your record later.

Upon completion of registration, you will be registered for sales and use tax administration in all full member states and all selected associate states. When new members (states) join, all registered sellers will be notified of their requirement to begin collecting sales and use tax in that state. If the new state is an associate member, the seller will be given the option of collecting tax for that state.

## Section 9.4 - CSP and CAS Registration with the SSTGB

[www.streamlinedsalestax.org](http://www.streamlinedsalestax.org)

A CSP is defined in the SSUTA as: “An agent certified under the Agreement to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases.” Along with SSTGB registration, a CSP must also perform end-to-end testing in Treasury’s test environment, as defined in Section 5 of this publication.

A CAS is defined in the SSUTA as “Software certified under the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to the appropriate state, and maintain a record of the transaction.” A CAS is not subject to end-to-end testing, and needs only to be registered with the SSTGB.

## SECTION 10 STATE FILING PROGRAM

**CSPs participating in Treasury's SST program must complete the following steps before submitting production files:**

1. Receive approved status from the SSTGB.
2. Successfully complete test deck verification (calculations) (see page 8).
3. Obtain a User ID and password from Michigan to log onto Michigan's SST SER submission Web site (see page 9).
4. Successfully generate and submit two pre-defined test files and receive accepted acknowledgments for both.
5. Receive final e-mail approval notification from the SST Program Office.

**CAS users participating in Treasury's SST program must complete the following steps before submitting production files:**

1. Receive approved status from the SSTGB for the CAS.
2. Register as a taxpayer with the SSTGB and receive your SSTID.
3. Obtain a User ID and password from Michigan to log onto Michigan's SST SER submission Web site.

**SECTION 11  
APPENDIX**

Section 11.1 - Transmission File Size Limits

Michigan's transmission file size limit is 4MB.

Section 11.2 - Sample SST XML Documents

Sample SST XML documents can be found on the Treasury Web site at [www.michigan.gov/streamlined](http://www.michigan.gov/streamlined)

Section 11.3 - Sample Return

Sample returns can be found on the Treasury Web site at [www.michigan.gov/streamlined](http://www.michigan.gov/streamlined)

Section 11.4 - SUW Holiday and Weekend Due Dates

[Form 3149, Sales, Use and Withholding Tax Due Dates for Holidays and Weekends](#)

## Section 11.5 - Glossary of Terms

ACH	Automated Clearing House: An electronic network for <b>financial transactions</b> in the <b>United States</b> .
CAS	Certified Automated System: Software certified under the SSTUA to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to the appropriate state, and maintain a record of the transaction.
CSP	Certified Service Provider: An agent certified under the SSTUA to perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on its own purchases.
Debit Block (Debit Filter)	A limitation imposed on a financial institution account by the account holder for the purpose of reducing the ability of others to debit the account.
EFT	Electronic Fund Transfer: The electronic exchange or transfer of money from one account to another, either within the same financial institution or across multiple institutions.
ERO	Electronic Return Originator
FEIN	Federal Employer Identification Number
IAT	International ACH Transaction
NACHA	The Electronic Payments Association, formerly the National Automated Clearing House Association: An organization that develops <b>electronic</b> solutions to improve the <b>ACH payment system</b> in the <b>United States</b> .
NAICS	<b>North American Industry Classification System:</b> Used by business and government to classify business establishments according to type of economic activity.

Schema	A standardized tiered structure containing the transmission data and the document data. The transmission is set up to handle a single document or a batch of documents. The transmission has three components, the transmission header, the transmission manifest, and the document.
SER	Simplified Electronic Return
SST	Streamlined Sales Tax
SSTGB	Streamlined Sales Tax Governing Board: The purpose of the SSTGB is to interpret the SSTUA, make necessary amendments, and provide issue resolution.
SSUTA	Streamlined Sales and Use Tax Agreement: The purpose of the SSTUA is to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance. The SSTUA focuses on improving sales and use tax administration systems for all sellers and for all types of commerce.
SUW	Sales, Use and Withholding Tax
Taxability Matrix	A list of all taxable items and the corresponding tax rates for a particular state.
Test Deck	A SST scenario established by Michigan for the purpose of validating the accuracy of a CSP's software.
TIGERS	Tax Implementation Group for Electronic Commerce Requirements Standardization: The source for electronic data interchange format standards for tax and revenue administration. It is recognized by the IRS as the official source of state XML standards for Fed/State Modernized e-File programs for all tax types.
Treasury	Michigan Department of Treasury
XML	Extensible Markup Language: A set of rules for encoding documents in machine-readable form.