



Michigan Department of Licensing and Regulatory Affairs  
Liquor Control Commission (MLCC)  
Mailing Address: PO Box 30005, Lansing, MI 48909  
Toll Free 866-813-0011 – [www.michigan.gov/lcc](http://www.michigan.gov/lcc)

## Michigan Sales Tax on Alcoholic Liquor Products

The Michigan Liquor Control Commission (MLCC) does not regulate the Michigan sales tax and the information provided in this document is only general guidance to licensees. Any specific questions about Michigan sales tax collection on alcoholic liquor products should be directed to the [Michigan Department of Treasury](#).

Michigan's [General Sales Tax Act \(MCL 205.51a\)](#) defines "alcoholic beverage" as "a beverage suitable for human consumption that contains 1/2 of 1% [0.5%] or more of alcohol by volume." Alcoholic beverages are not considered food or food ingredients and are not exempt under the [General Sales Tax Act \(MCL 205.54g\)](#) from the payment of the 6% Michigan sales tax. Please see the Michigan Department of Treasury's [Revenue Administrative Bulletin 2022-4](#) for more details on sales tax on food.

### **Sales Tax on Alcoholic Liquor for Off-Premises Consumption**

The 6% Michigan sales tax must be collected on alcoholic liquor products sold in the original, unopened container to a customer for off-premises consumption by the following licensees that are authorized to sell alcoholic liquor for off-premises consumption:

- Specially Designated Merchant licensee (beer, wine, and mixed spirit drink products)
- Specially Designated Distributor licensee (spirits products)
- A manufacturer licensee with an On-Premises Tasting Room Permit (beer, wine, mixed spirit drink, or spirits products, as allowed by the manufacturer license type)
- A manufacturer licensee with an Off-Premises Tasting Room license or Joint Off-Premises Tasting Room license (wine, mixed spirit drink, or spirits products, as allowed by the manufacturer license type)

### **Sales Tax on Alcoholic Liquor for On-Premises Consumption**

The 6% Michigan sales tax must be collected on alcoholic liquor products sold and served to a customer for consumption on the licensed premises, or alcoholic liquor sold to a customer in a qualified container to go under [MCL 436.1551](#), by the following licensees that are authorized to sell alcoholic liquor for on-premises consumption:

- Class C, B-Hotel, Club, CCRC, G-1, Aircraft, Train, or Watercraft licensee (beer, wine, mixed spirit drink, and spirit products)
- Tavern, A-Hotel, or G-2 licensee (beer, wine, and mixed spirit drink products)
- A nonprofit entity issued a Special License (beer, wine, mixed spirit drink, and spirit products)
- A manufacturer licensee with an On-Premises Tasting Room Permit (beer, wine, mixed spirit drink, or spirits products, as allowed by the manufacturer license type)
- A manufacturer licensee with an Off-Premises Tasting Room license or Joint Off-Premises Tasting Room license (wine, mixed spirit drink, or spirits products, as allowed by the manufacturer license type)

The 6% Michigan sales tax may be included in the price of alcoholic liquor sold to a customer for consumption on the licensed premises and is not required to be a separate charge itemized on the bill.

### **Sales Tax on Non-Alcoholic Beverage Products**

As noted above, under the General Sales Tax Act, beverages with 0.5% or higher alcohol by volume are subject to the 6% Michigan sales tax. However, [non-alcohol beverage products](#) with less than 0.5% alcohol by volume are not considered alcoholic beverages under the General Sales Tax Act. The collection of the 6% Michigan sales tax on these products may be required depending on how the non-alcohol beverage products that contain less than 0.5% alcohol by volume are sold by the retailer to the customer:

- The 6% Michigan sales tax **is not** required on the sale of a non-alcohol beverage product sold to a customer in the original, unopened package for consumption off the licensed premises.
- The 6% Michigan sales tax **is** required on the sale of a non-alcohol beverage product sold and served to a customer for consumption on the licensed premises.

### **Sales Tax Exemption for Eligible Entities**

The purchase of alcoholic liquor may be exempt from the payment of Michigan sales tax if an eligible entity provides the retailer proof of the entity's federal 501(c)(3) or 501(c)(4) status and a valid [Michigan Sales and Use Tax Certificate of Exemption \(Form 3372\)](#). Please refer to the [Michigan Department of Treasury's frequently asked questions webpage](#) for further questions about sales tax exemptions – the MLCC cannot answer questions about sales tax exemptions.