

# State Convention Facility Development Tax Return Instructions

This form is issued under the authority of P.A. 106 of 1985. Filing is mandatory. Failure to file may result in the assessment of penalty and interest.

## General Information

The **state convention facility tax** is levied on hotels or motels located in specific local units of government. The tax applies to hotels or motels with more than 80 rooms located in the convention district of Wayne, Oakland and Macomb Counties.

File one return each month for each hotel in the tri-county area. File a separate return for each location.

## Line-By-Line Instructions

Lines not listed are explained on the form.

**Identification.** Enter the hotel name. Enter the business name the hotel operates under (i.e., dba). Enter the street address where the hotel is located. Enter the account number and return period.

**Line 1.** Enter the number of guest rooms in this hotel. Do not include guest rooms rented to the same person for more than 30 consecutive days.

**Line 2.** Enter the amount of monthly room charges. Do not include the guest rooms rented to the same person for more than 30 consecutive days. The room charge includes TV rental, extra bed, linens and other furnishings. It does not include food, beverages, telephone service, use tax, Metropolitan Convention Bureau Assessment Fee or other similar services. It also does not include charges for rental of banquet or meeting rooms.

**Line 3.** Enter the appropriate percentage rate based on the hotel's location and number of rooms. See the chart below for correct rates.

Hotel Location	Number of Rooms	Percentage Rate
City of Detroit	81 - 160	3% (.03)
	161 +	6% (.06)
Wayne County (Outside Detroit city limits), Oakland and Macomb Counties	81 - 160	1.5% (.015)
	161+	5% (.05)

**Line 4.** Multiply line 2 by line 3. This is your tax due.

**Line 5.** If you are filing late, calculate and enter the applicable penalty and interest. Returns are due the 20th of the month following the month the room charge is made. Returns filed late or without payment are subject to penalty and interest. Penalty is 5% of the tax due (line 4). Penalty increases by an additional 5% per month or fraction thereof, after the second month, to a maximum of 25%. The minimum penalty is \$10.00. Penalty and interest information is provided on the Treasury Website at the address provided below.

**Line 6.** Add lines 4 and 5 and enter the total amount due.

**Payment. DO NOT FILE THIS RETURN WITH YOUR USE TAX RETURN.** Make your check payable to the **State of Michigan**. Sign and date the return. Mail to:

**Michigan Department of Treasury  
Special Taxes Division - Misc. Taxes and Fees  
PO Box 30781  
Lansing, Michigan 48909-8281**

Do not make notes on your return. Send any correspondence separately. If the business is discontinued, a final return is due within 20 days. Indicate "Final Return" on the last return submitted.

For more information regarding State Convention Facility Development Tax, call the Miscellaneous Taxes and Fees Unit, at 517-636-0515.