

2019 Sales, Use and Withholding Taxes 4% and 6% Monthly/Quarterly and Amended Monthly/Quarterly Worksheet

Business Account Number (FEIN or TR Number)	Return Period (MM-YYYY)
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PART 1: SALES TAX 4% FOR RESIDENTIAL ELECTRICITY, GAS, HOME HEATING FUEL

1. Gross sales for the tax period reported. Carry this amount to line 1 of the Sales Tax 4% section on MTO (line 1 of Forms 5096 or 5097) 1.

2. ALLOWABLE DEDUCTIONS

- a. Resale, sublease or subrent 2a.
 - b. Industrial processing exemption 2b.
 - c. Agricultural production exemption 2c.
 - d. Interstate commerce 2d.
 - e. Nontaxable services billed separately 2e.
 - f. Bad debts 2f.
 - g. Food for human/home consumption 2g.
 - h. Government exemption 2h.
 - i. Michigan motor fuel tax 2i.
 - j. Direct payment deduction 2j.
 - k. Other exemptions and/or deductions 2k.
 - l. Tax included in gross sales 2l.
 - m. Total allowable deductions. Add lines 2a - 2l 2m.
3. Taxable balance. Subtract line 2m from line 1 3.
4. **Gross tax due:** Multiply line 3 by 4% (0.04). Carry this amount to line 2 of the Sales Tax 4% section on MTO (line 2 of Forms 5096 or 5097) 4.

Sales Tax 4%	

Sales Tax 4%	
XXXXXXXXXX	
XXXXXXXXXX	
XXXXXXXXXX	
XXXXXXXXXX	

Complete this prepaid tax section under Part 1 or Part 2, not both.

- 5. Enter the prepaid tax amount from line 7, Form 5083 5.
- 6. Enter the prepaid tax amount from line 10, Form 5085 6.
- 7. Enter the prepaid tax amount from line 13, Form 5086 7.
- 8. **Total prepaid tax:** Add lines 8 – 10. This is the amount on line 3 of the Sales Tax 6% section on MTO (line 7 of Forms 5096 or 5097). 8.

PART 2: SALES TAX 6% AND USE TAX

- 9. Gross sales for tax period being reported 9.
- 10. Rentals of tangible property and accommodations 10.
- 11. Telecommunications services 11.
- 12. **Total gross sales, rentals, accommodations and telecommunications services:** Carry the amount from line 12A to line 1 of the Sales Tax 6% section on MTO (line 5 of Forms 5096 or 5097). Carry the amount from line 12B to line 1 of the Use Tax on Sales & Rentals section on MTO (line 11 of Forms 5096 or 5097)..... 12.

A. Sales Tax 6%		B. Use: Sales & Rentals	
XXXXXXXXXX			
XXXXXXXXXX			

13. ALLOWABLE DEDUCTIONS

- a. Resale, sublease or subrent 13a.
- b. Industrial processing exemption 13b.
- c. Agricultural production exemption 13c.
- d. Interstate commerce 13d.
- e. Nontaxable services billed separately 13e.
- f. Bad debts 13f.
- g. Food for human/home consumption 13g.
- h. Government exemption 13h.
- i. Michigan motor fuel tax 13i.
- j. Direct payment deduction 13j.
- k. Other exemptions and/or deductions (see instructions) 13k.
- l. Tax included in gross sales 13l.
- m. Total allowable deductions. Add lines 5a - 5l 13m.
- 14. Taxable balance. Subtract line 5m from line 4 14.
- 15. **Gross tax due:** Multiply line 6 by 6% (0.06). Carry the amount from line 15A to line 2 of the Sales Tax 6% section on MTO (line 6 of Forms 5096 or 5097). Carry the amount from line 15B to line 2 of the Use Tax on Sales & Rentals section on MTO (line 12 of Forms 5096 or 5097)..... 15.
- 16. Enter the prepaid tax amount from line 7, Form 5083 16.
- 17. Enter the prepaid tax amount from line 10, Form 5085 17.
- 18. Enter the prepaid tax amount from line 13, Form 5086 18.
- 19. **Total prepaid tax:** Add lines 16-18. Carry this amount to line 7 on Form 5096/Form 5097 19.

A. Sales Tax 6%		B. Use Tax	
		XXXXXXXXXX	
		XXXXXXXXXX	

PART 3: USE TAX ON ITEMS PURCHASED FOR BUSINESS OR PERSONAL USE

- 20. Purchases for which no tax was paid or inventory purchased or withdrawn for business or personal use. Carry this amount to line 1 of the Use Tax on Items Purchased for Business or Personal Use section on MTO (line 15 of Forms 5096 or 5097). 20.
- 21. **Use tax on purchases due:** Multiply line 20 by 6% (0.06) and carry to line 16 of Form 5096 or Form 5097. MTO will calculate this amount on line 2 of the Use Tax on Items Purchased for Business or Personal Use section (line 16 of Forms 5096 or 5097)..... 21.

B. Use Tax	

IMPORTANT: Record the account number and return period at the top of page 1 of this form. **DO NOT FILE.** Retain this worksheet in the business records. This worksheet may be subject to audit.

Instructions for 2019 Sales, Use and Withholding Taxes 4% and 6% Monthly/Quarterly Worksheet (Form 5099)

PART 1: SALES TAX 4%

Line 1: Total Gross Sales for Tax Period Being Reported.

Enter total sales, including cash, credit and installment transactions of tangible personal property. Include any costs incurred before ownership of the property is transferred to the buyer, including shipping, handling, and delivery charges.

Lines 52a – 2l: Allowable Exemptions and/or Deductions.

Use lines 2a – 2l to deduct from gross sales the nontaxable sales included in line 4. Deductions taken for tax exempt sales but be substantiated in business records. A copy of *Michigan Sales and Use Tax Certification of Exemption* (Form 3372) or the same information in another format must be obtained from the purchaser. For more information on exemption documentation, see Revenue Administrative Bulletin (RAB) 2016-14.

Line 2a: Resale, Sublease or Subrent. Enter resale, sublease or subrent exemption claims.

Line 2d: Interstate Commerce. Enter sales made in interstate commerce. To claim such a deduction, the property or service must be delivered by the business to the out-of-state purchaser. Property transported out-of-state by the purchaser does not qualify as interstate commerce. Documentation of out-of-state shipments must be retained in business records to support this deduction.

Line 2e: Nontaxable Services Billed Separately. Enter charges for nontaxable services billed separately, such as repair or maintenance, if these charges were included in gross receipts on line 1. Costs, such as delivery or installation charges, that are incurred before the completion of the transfer of ownership of taxable property are included in the tax base and may not be subtracted.

Line 2f: Bad Debts. Deduct the amount of bad debts from business proceeds if all of the following criteria are met:

- The debts are charged off as uncollectable on business records at the time the debts become worthless
- The debts are deducted on the return for the period during which the bad debts are written off as uncollectible
- The debts are eligible to be deducted for federal income tax purposes.

A bad debt deduction may also be claimed by a third-party lender provided the retailer who reported the tax and the lender financing the sale executed and maintained a separate written election designation which party may claim the deduction. Certain additional conditions must be met. See MCL 205.54g and MCL 205.99a.

Line 2h: Government Exemption. Direct sales to the United States Government, State of Michigan, or its political subdivisions are exempt.

Line 2k: Other Exemptions and/or Deductions. Identify exemptions or deductions not covered in items 2a through 2j

on this line. Examples of exemptions or deductions are:

- Direct sales, not for resale, to certain nonprofit agencies, churches, schools, hospitals, and homes for the care of children and the aged, provided such activities are nonprofit and payment is directly from the funds of the exempt organization.
- Credits allowed to customers for sales tax originally paid on merchandise voluntarily returned, provided the return is made within the time period for returns stated in the taxpayer's refund policy or 180 days after the initial sale, whichever is earlier. Repossessions are not allowable deductions.
- Sales to contractors of materials which will become part of a finished structure for a qualified exempt nonprofit hospital, qualified exempt nonprofit housing entity or church sanctuary, or materials to be affixed to and made a structural part of real estate located in another state. The purchaser will provide a Michigan Sales and Use Tax Contractor Eligibility Statement (Form 3520). See RAB 2016-18.
- Qualified nonprofit organizations may exempt up to \$10,000 of their sales for fundraising purposes, if their aggregate sales at retail for the calendar year are less than \$25,000. If tax was collected from the customer for exempt sales, it must be either returned to the customer or paid to the state. See MCL 205.54o for more information.

Line 2l: Tax Included in Gross Sales. If tax was included on line 1 of this form, divide gross sales by 17.6667 and enter the amount.

PART 2: SALES TAX 6% AND USE TAX

Line 9: Total Gross Sales for Tax Period Being Reported.

Enter total sales, including cash, credit and installment transactions of tangible personal property. Include any costs incurred before ownership of the property is transferred to the buyer, including shipping, handling, and delivery charges.

Line 10: Rentals of Tangible Property and Accommodations.

Lessors of tangible personal property: Enter amount of total rental receipts. Persons providing accommodations: This includes, but is not limited to, total hotel, motel, and vacation home rentals, and assessments imposed under the Convention and Tourism Act, the Convention Facility Development Act, the Regional Tourism Marketing Act, and the Community Convention or Tourism Marketing Act.

Line 11: Telecommunications Services. Enter gross income from telecommunications services.

Lines 13a – 13l: Allowable Exemptions and/or Deductions. Use lines 13a – 13l to deduct from gross sales the nontaxable sales included in line 4. Deductions taken for tax exempt sales but be substantiated in business records.

A copy of *Michigan Sales and Use Tax Certification of Exemption* (Form 3372) or the same information in another format must be obtained from the purchaser. For more information on exemption documentation, see Revenue Administrative Bulletin (RAB) 2016-14.

Line 13a: Resale, Sublease or Subrent. Enter resale, sublease or subrent exemption claims.

Line 13b: Industrial Processing Exemption. The property sold must be for direct use in producing a product for eventual sale at retail or to be affixed to and made a structural part of real estate located in another state.

Line 13c: Agricultural Production Exemption. The property sold must be for direct use in agricultural production.

Line 13d: Interstate Commerce. Enter sales made in interstate commerce. To claim such a deduction, the property or service must be delivered by the business to the out-of-state purchaser. Property transported out-of-state by the purchaser does not qualify as interstate commerce. Documentation of out-of-state shipments must be retained in business records to support this deduction.

Line 13e: Nontaxable Services Billed Separately. Enter charges for nontaxable services billed separately, such as repair or maintenance, if these charges were included in gross receipts on line 1. Costs, such as delivery or installation charges, that are incurred before the completion of the transfer of ownership of taxable property are included in the tax base and may not be subtracted.

Line 13f: Bad Debts. Deduct the amount of bad debts from business proceeds if all of the following criteria are met:

- The debts are charged off as uncollectable on business records at the time the debts become worthless
- The debts are deducted on the return for the period during which the bad debts are written off as uncollectible
- The debts are eligible to be deducted for federal income tax purposes.

A bad debt deduction may also be claimed by a third-party lender provided the retailer who reported the tax and the lender financing the sale executed and maintained a separate written election designation which party may claim the deduction. Certain additional conditions must be met. See MCL 205.54g and MCL 205.99a.

Line 13g: Food for Human/Home Consumption. Enter total of retail sales of grocery-type food, excluding tobacco and alcoholic beverages. Prepared food is subject to tax. See MCL 205.54g and MCL 205.94d for more information.

Line 13h: Government Exemption. Direct sales to the United States Government, State of Michigan, or its political subdivisions are exempt.

Line 13i: Michigan Motor Fuel Tax. Motor fuel retailers may deduct the Michigan motor fuel taxes that were included in gross sales on line 1 and paid to the State or the distributor.

Line 13j: Direct Payment Deduction. Sales to companies that claim direct payment of sales tax to the State of Michigan. Such companies must have a sales tax license and have a letter from Treasury specifically granting direct payment authority. For qualifications, see RAB 2000-3.

Line 13k: Other Exemptions and/or Deductions. Identify exemptions or deductions not covered in items 13a through 13j on this line. Examples of exemptions or deductions are:

- Trade-in values on vehicle sales. **Taxes paid to the Secretary of State are no longer allowable deductions** and must be reported on the *Vehicle Dealer Supplemental Schedule* (Form 5086 – e-file only).
- Direct sales, not for resale, to certain nonprofit agencies, churches, schools, hospitals, and homes for the care of children and the aged, provided such activities are nonprofit and payment is directly from the funds of the exempt organization.
- Assessments imposed under the Convention and Tourism Act, the Convention Facility Development Act, the Regional Tourism Marketing Act, or the Community Convention or Tourism Marketing Act. Hotels and motels may deduct the assessments included in gross sales and rentals provided use tax on the assessments was not charged to the customers.
- Credits allowed to customers for sales tax originally paid on merchandise voluntarily returned, provided the return is made within the time period for returns stated in the taxpayer's refund policy or 180 days after the initial sale, whichever is earlier. Repossessions are not allowable deductions.
- Sales to contractors of materials which will become part of a finished structure for a qualified exempt nonprofit hospital, qualified exempt nonprofit housing entity or church sanctuary, or materials to be affixed to and made a structural part of real estate located in another state. The purchaser will provide a *Michigan Sales and Use Tax Contractor Eligibility Statement* (Form 3520). See RAB 2016-18.
- Qualified nonprofit organizations may take a deduction of their sales if total sales are less than \$5000 and they did not collect sales tax from their customers. If total sales are \$5000 or more, the entire amount of sales is subject to tax. For qualifications, see RAB 1995-3.

Line 13l: Tax Included in Gross Sales. If tax is included in gross sales, divide gross sales by 17.6667 and enter the result here. Example: Line 1 is 25,000 and line 13a is \$8,000 (customer provided form 3372 and claimed resale) (\$25,000 - \$8,000 = \$17,000

\$17,000 divide by 17.6667 = \$962.26

\$962.26 is entered on line 13l