

## Instructions for Completing Form 3998, Tribal Certificate of Exemption for Sales and Use Tax

This certificate is issued by the Tribe to be used by the Tribe as well as by a Resident Tribal Member (RTM), Tribal Member (TM), or Tribal Entity (TE) of that Tribe. **As defined in the tax agreement, a TM is an enrolled member of the issuing Tribe. An RTM is a TM whose principal place of residence is located within the Tribe's Agreement Area.**

Do not use this certificate if the exemption is a standard exemption (e.g., resale, industrial processing, etc.) which can be claimed on the Michigan Sales and Use Tax Certificate of Exemption (Form 3372).

**Notice to Seller of 50% Exemption.** This box must be marked when a purchase will be jointly titled or owned by two individuals where only one qualifies for the exemption. A qualified individual is one who is a current RTM, or a qualifying TM (as described under Part 4.C.). If the joint purchaser is not a qualified individual, such a purchase is only eligible for a 50% exemption from the calculated tax. The remaining 50% tax should be collected and remitted to the State.

Part 2 of this certificate lists the tribes that have elected to use these certificates and indicates which of those tribes have authorized their RTMs/TMs/TEs to use it.

An authorized tribal representative must sign this certificate and attach a Letter of Authorization which is addressed to the Tribe and issued by the State of Michigan. **This certificate is updated annually and may only be used for purchases made in the calendar year specified on the certificate.**

**Document retention.** The Tribe must retain a copy of this certificate, including all documentation submitted by an RTM, TM, or TE to the Tribe in support of a request for authorization to use this certificate. Each contractor or subcontractor must retain a copy of this certificate, a copy of the Letter of Authorization, and copies of all Forms 3372 (if any). A supplier must retain a copy of this certificate, a copy of the Letter of Authorization, and a copy of the Form 3372 completed by the purchasing contractor or subcontractor. Projects spanning multiple years will require a new Tribal Certificate of Exemption (Form 3998) and a current copy of the Letter of Authorization at the start of each calendar year. **Do not send this certificate to the Department of Treasury.**

### Line-By-Line Instructions

Items not listed here are explained on the form.

#### PART 1: Purchaser

Tribal purchases are those made by the Tribe itself, a governmental subdivision of the Tribe (e.g. police department, health facility), or a business fully owned by the Tribe. TE purchases are those made by entities owned by more than one tribal member or the Tribe and one or more of its tribal members. "RTM purchases" are those made by an RTM or by a qualifying TM as described in Part 4.C.

If the purchaser is the Tribe, enter the name and address of the governmental agency of the Tribe or the name of the tribal business and the Federal Employer Identification Number (FEIN), TR number, or ME number. If the purchaser is an RTM/TM, enter the first name, middle initial, last name, address, last 4 digits of the social security number, and Tribal Member Number of the individual. If the purchaser is a TE, enter the name of the entity and the FEIN, TR number, or ME number.

#### PART 4: Tribal and RTM/TM/TE Purchases

C: RTM, TM, and TE Purchases

"TM purchases" are those purchases of a modular or mobile home by a TM who plans to use the home as a principal residence in the Tribe's Agreement Area within 12 months of the purchase. It also includes purchases of materials to be used to build or renovate a home within the Tribe's Agreement Area where the home is occupied by the TM as their principal residence within 18 months.

**Affixation to real estate by a contractor or subcontractor.** Follow these instructions to claim an exemption on tangible personal property to be affixed to real estate by a contractor:

- Part 1: Provide the requested information of the Tribe, RTM, TM, or TE who owns the real estate where the affixation will occur.
- Part 2: Select the appropriate tribal affiliation.
- Part 3: Provide the name and address of the contractor or subcontractor.
- Part 4.A or 4.C: Check the appropriate "affixation to real estate" box and provide the requested information.

**Contractor or subcontractor exempt purchase from supplier.** If a contractor or subcontractor purchases from a supplier tangible personal property to be affixed to the real estate, the contractor or subcontractor must complete and provide Form 3372 to the supplier, stating in section 3, line 12 of that form "affixation to real estate under a tribal-state tax agreement." The contractor or subcontractor must also provide to the supplier a copy of this certificate and a copy of the Letter of Authorization.

If you have questions, visit [www.michigan.gov/taxes](http://www.michigan.gov/taxes) or call Tribal Affairs at 517- 241-2185.