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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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Updated

June 8, 2007

Special Notice to Bus Companies

Change in procedures for bus companies reporting miles traveled in Michigan

Starting October 1, 2005 bus companies reporting miles traveled in Michigan must report all of their miles as taxable on the IFTA schedule filed with their IFTA return. This change will first be reported on your 4th quarter 2005 return.

All gallons consumed by your company's "qualified vehicles" in the State of Michigan must be reported as taxable on the IFTA schedule. All undyed diesel fuel purchased in Michigan, where the tax was paid, can be claimed in the tax paid gallons column. Dyed diesel fuel purchased tax free in Michigan cannot be claimed in the tax paid gallons column; however, dyed diesel fuel consumed in your "qualified vehicles" must be used in computing your fleet average miles per gallon.

Michigan law provides for a refund to all qualified motor coaches for tax paid fuel purchased and consumed in Michigan. Tax paid on the IFTA return is also eligible for a refund providing the credit on your IFTA return was not used to offset the tax due in another jurisdiction. The fluctuation in the Michigan tax rate along with your fuel purchasing and travel patterns will determine if you are entitled to a refund or have additional tax due. You must complete an IFTA Bus Schedule (form 4360), and if you are entitled to a refund you must also complete a Claim for Refund of Motor Fuel Tax (form 680-3).

A pre-identified claim form and bus schedule are enclosed. If you qualify for a refund a new claim form will automatically be mailed to you each time you file for a refund. A copy of the schedule filed with your IFTA return must be attached to the claim form when it is submitted. ***If you do not need the refund claim form please destroy it. There is no requirement to file the refund claim and it is not necessary to contact us if you do not wish to file. However, bus schedules that calculate to a tax due must be filed with payment.***

Any questions can be directed in writing to Michigan Department of Treasury, Customer Contact Division, Special Taxes, Lansing, MI 48922 or you may call us at (517) 636-4600.

Beginning with the 4th quarter 2005 return you should disregard the previous filing instructions that were sent to you in December 2004.