

STATE OF MICHIGAN



JOHN ENGLER, Governor

**DEPARTMENT OF TREASURY**

TREASURY BUILDING, LANSING, MICHIGAN 48922

MARK A. MURRAY, State Treasurer

**REVENUE ADMINISTRATIVE BULLETIN 1999 - 8**

**Approved:** November 29, 1999

**NOTICE OF CHANGE OF PREPAID GASOLINE SALES TAX RATE**

(Replaces Revenue Administrative Bulletin 1999-4)

**RAB 99-8.** This bulletin announces the change in the prepaid gasoline sales tax rate under Section 6a of the General Sales tax Act, MCL 205.56a; MSA 7.527(1). Section 6a provides that the rate of prepaid gasoline sales tax shall be determined every six months by the Michigan Department of Treasury unless the Department certifies that the change in the statewide average retail price of a gallon of self-serve unleaded regular gasoline has been less than 10 percent during the six-month period.

Effective January 1, 2000, the new rate is 5.7 cents per gallon. This change is necessitated by an increase in the statewide average retail price of a gallon of self-serve unleaded regular gasoline in excess of the 10 percent statutory criteria.

The prepayment on all first sales by refiners and terminal operators must be at this new rate. Imported gasoline is also subject to the new rate.

All taxpayers must use the actual rate paid by or charged to them when invoicing other wholesale customers or when taking credit with their sales tax returns.

The change in the rate for prepaid gasoline sales tax does not affect the environmental protection regulatory fee which remains at 7/8 of 1 cent per gallon.

The Department will reissue this bulletin annually announcing the prepaid gas rate, regardless of change in the rate. Every six months the Department will recalculate the prepaid gas rate but will not adjust the rate unless the change in the statewide average retail price of a gallon of self-serve unleaded regular gasoline has been 10 percent or more during that six-month period. Interested parties should look for future annual Revenue Administrative Bulletins announcing new rates.

Questions may be directed to:

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