

Sales, Use, and Withholding Taxes 2015: Summary of Changes



In January 2015, the Michigan Department of Treasury will begin to process current-year Sales, Use, and Withholding (SUW) tax returns with a new online system. As a result of this new processing system, there will be changes to the SUW forms and to the way taxpayers can file and make payments for tax year 2015 returns.

New e-Services

The new bundle of e-services is called Michigan Treasury Online (MTO). SUW taxpayers will have 24/7 access to their accounts, and will be able to file returns and make payments electronically in one convenient transaction.

Highlights of New Online Features

- Free service, no cost 24/7 access to use online services
- Review and make changes to the account
- Electronically file (e-file) and electronically pay (e-pay) in one transaction
- Update, add, or delete tax types
- Delegate authority (including Payroll Service Providers (PSPs) and Third-Party Administrators (TPAs))

All Taxpayers Must File a Return

Beginning January 2015, all taxpayers are required to file an actual return regardless of how they pay their SUW taxes and regardless of whether tax is due.



The Department of Treasury will no longer Mail Out SUW Returns and Licenses

Due to the availability of e-file options, beginning with tax year 2015, SUW forms and instructions will no longer be mailed. Current sales tax licenses are valid until September 30, 2015. ONCE EXPIRED, COPIES OF LICENSE RENEWALS MAY BE VIEWED AND PRINTED FROM TAXPAYER MTO ACCOUNTS. Copies of sales tax licenses may ALSO be requested through business self-service or the automated phone system by calling +1 517 636 6925.

Michigan-Established (ME) account numbers to be discontinued for SUW taxpayers

The Department of Treasury will not issue separate ME account numbers to SUW taxpayers that file from multiple locations. Beginning with the January 2015 return, each location should file using only the Federal Employer Identification Number (FEIN) or Treasury (TR) number. Multiple return filings for a single FEIN or TR number will be accepted. Current sales tax licenses issued under an ME number remain valid through September 30, 2015. New licenses will be issued to the existing FEIN or TR number when the current license expires.

Filing Options

Most taxpayers will have three filing options:

1. Free E-file: Using the state's website, MTO, beginning January 15, 2015
2. E-file: Using Treasury-approved commercial or proprietary software
3. Paper file (for eligible forms only): Downloading forms from Treasury's website and mailing a completed copy

Required E-file Forms

Using MTO, Approved Commercial, or Proprietary Software:

- Form 5083, Fuel Supplier and Wholesaler Prepaid Sales Tax Schedule
- Form 5085, Fuel Retailer Supplemental Schedule
- Form 5086, Vehicle Dealer Supplemental Schedule

Using MTO Filing Only:

- Form 5091, SUW Taxes 4% and 6% Annual Return
- Form 5093, SUW Taxes 4% and 6% Amended Annual Return

Forms

Forms have been revised based on new requirements and have new form numbers. Refer to the table for additional details.

Changes to Tax Forms

Old Form	New Form	Form Title	Highlights
160	5080	SUW Taxes Monthly/Quarterly Return	<ul style="list-style-type: none"> • Full-page form. • Gross sales information should be included, when applicable.
NA	5092	SUW Taxes Amended Monthly/Quarterly Return	<ul style="list-style-type: none"> • Allows subtraction for early payments or excess payments made in prior periods. • A new form for amending has been created and specifies which taxes are being amended.
165	5081	SUW Taxes Annual Return	<ul style="list-style-type: none"> • Allowable deductions listing has been updated.
NA	5082	SUW Taxes Amended Annual Return	<ul style="list-style-type: none"> • Direct payment exemption is a new field under allowable deductions. • Line for subtraction of Secretary of State sales has been removed. Instead the credit for tax paid to Secretary of State will be a subtraction from the tax liability of all sales made. • A new form for amending has been created and specifies which taxes are being amended.
	5083	Fuel Supplier and Wholesaler Prepaid Sales Tax Schedule	<ul style="list-style-type: none"> • Forms 5083 and 5085 require completion of customer/supplier and gallons of fuel information.
2189	5085	Fuel Retailer Supplemental Schedule	<ul style="list-style-type: none"> • Form 5086 will now create a credit for taxes paid and will be subtracted from the tax liability.
92	5086	Vehicle Dealer Supplemental Schedule	<ul style="list-style-type: none"> • Returns containing these schedules can only be filed electronically together with the monthly/quarterly return.
430	5084	Fuel Advance Credit Repayment	<ul style="list-style-type: none"> • Full-page form. • Paper file only.
48	5087	Purchasers Use Tax Return	<ul style="list-style-type: none"> • Full-page form. • Paper file only. • Payment-only form.
388	5088	Seller's Use Tax Return	<ul style="list-style-type: none"> • Full-page form. • Paper file only. • Payment-only form.
2271	5089	Concessionaire's Sales Tax Return and Payment	<ul style="list-style-type: none"> • Full-page form. • Paper file only. • Payment-only form.
4601	5091	SUW Taxes 4% and 6% Annual Return	<ul style="list-style-type: none"> • E-file only through MTO.
NA	5093	SUW Taxes 4% and 6% Amended Annual Return	<ul style="list-style-type: none"> • Paper forms are not available. A new form for amending has been created and specifies which taxes are being amended.
NA	5094	SUW Payment Voucher	<ul style="list-style-type: none"> • Payment-only form submitted for e-file returns when payment is made by check or money order.
NA	5095	SUW Monthly/Quarterly and Amended Monthly/Quarterly Worksheet	<ul style="list-style-type: none"> • Industrial processing and agricultural production exemptions have been separated into two individual fields. • Direct payment exemption is a new field under allowable deductions.

Summary of 2015 SUW Major Changes

Accelerated Filers	<p>Sales and use tax filing frequency and calculation method has not changed: Accelerated sales and use tax filers must continue to make the 75% prepayment due for the current month, and reconcile and pay the previous month's actual liability.</p> <p>The filing of a return is required: Historically, taxpayers paying by electronic funds transfer (EFT) were not required to file a separate, corresponding return. Beginning January 2015, all taxpayers will be required to file an actual return regardless of how they pay and regardless of whether tax is due.</p> <p>Accelerated filers must continue to pay electronically: Accelerated filers using MTO can electronically submit their returns and initiate an EFT debit payment in a single session. Importantly, the MTO debit payment can be made as one combined payment eliminating the need to make three distinct payment transactions for SUW tax liabilities. Taxpayers may continue to initiate EFT credit payments through their financial institutions, but they are required to separately file a return.</p>
Fuel and Vehicle Credit Filers	<p>All 2015 fuel and vehicle dealer credits must be e-filed: These credits must be claimed on the monthly/quarterly return and cannot be separately filed. Therefore, returns claiming these credits can only be electronically filed through MTO or Treasury-approved commercial or proprietary software. If you are only required to file an annual return, you must still electronically complete the appropriate credit information included on the December monthly/quarterly return.</p>
4% Sales Tax Filers	<p>2015 SUW tax returns using a 4% sales tax rate must be e-filed using MTO: The paper filing of returns that include a 4% sales tax rate will not be allowed in tax year 2015 and beyond. These returns must be electronically filed through MTO only. The MTO e-file requirement will ensure complete information and accurate discount calculations.</p>
ME Accounts	<p>ME account numbers to be discontinued for SUW taxpayers: The Department of Treasury will not issue separate ME account numbers to SUW taxpayers that file from multiple locations. Beginning with the January 2015 return, each location should file using only the FEIN or TR number. Multiple return filings for a single FEIN or TR number will be accepted. Current sales tax licenses issued under an ME number remain valid through September 30, 2015. New licenses will be issued to the existing FEIN or TR number.</p>
Taxpayer Paying by EFT	<p>EFT debit payments: The Web and phone payment options currently available for SUW tax years 2014 and prior will be disabled in early 2015. For tax year 2015, SUW taxpayers can use MTO to electronically submit their returns and initiate an EFT debit payment in a single session. Importantly, the MTO debit payment can be made as one combined payment eliminating the need to make three distinct payment transactions for SUW tax liabilities.</p> <p>EFT credit payments: Taxpayers may continue to initiate EFT credit payments through their financial institutions, but they are required to separately file a return.</p> <p>The filing of a return is required: Historically, taxpayers paying by EFT were not required to file a separate, corresponding return. Beginning January 2015, all taxpayers will be required to file an actual return regardless of how they pay and regardless of whether tax is due.</p>
Taxpayer using PSP or TPA	<p>What Does This Mean for PSPs and TPAs? PSPs and TPAs submitting bulk payment and return files on behalf of their clients must use Treasury-approved commercial or proprietary software. Bulk files must be transmitted through the SUW Direct Gateway. Visit www.Mfastfile.org for additional information on developing, testing, and obtaining Treasury approval for commercial or proprietary software necessary for bulk filing.</p> <p>Filing Returns and Payments through MTO SUW taxpayers will have the ability to delegate MTO filing and payment authority to their authorized PSP or TPA; however, MTO does not accommodate bulk filing. In order to bulk file returns and payments, Treasury anticipates PSPs and TPAs will use approved commercial or proprietary software. If a PSP or TPA is interested in using MTO on behalf of a client, please visit www.michigan.gov/mtobusiness for more information on delegated authority.</p>