



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

February 6, 2020

NOTICE OF FILING
ADMINISTRATIVE RULES

To: Secretary of the Senate
Clerk of the House of Representatives
Joint Committee on Administrative Rules
Michigan Office of Administrative Hearings and Rules (Administrative Rules #19-051-TY)
Legislative Service Bureau (Secretary of State Filing #20-02-01)
Department of Treasury

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-051-TY (Secretary of State Filing #20-02-01) on this date at 2:52 P.M. for the Department of Treasury entitled, "Specific Sales and Use Tax Rules."

These rules become effective immediately upon filing with the Secretary of State unless adopted under section 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely,

Jocelyn Benson
Secretary of State

Melissa Malerman /CK

Melissa Malerman, Departmental Supervisor
Office of the Great Seal

Enclosure



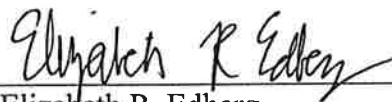
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Legal Division**Kevin H. Studebaker, Director**CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the attached proposed rule of the Department of Treasury, dated August 5, 2019, adding R 205.141 to the Department's rules entitled "Specific Sales and Use Tax Rules." I approve the rule as to form, classification, and arrangement.

Dated: November 13, 2019

LEGISLATIVE SERVICE BUREAU

By 
Elizabeth R. Edberg,
Legal Counsel

DEPARTMENT OF TREASURY

STATE TREASURER

GENERAL SALES AND USE TAX RULES

SPECIFIC SALES AND USE TAX RULES

Filed with the secretary of state on

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(By authority conferred on the department of treasury by section 3 of 1941 PA 122, MCL 205.3)

R 205.141 is added to the Michigan Administrative Code as follows:

SPECIFIC SALES AND USE TAX RULES

R 205.141 Marihuana.

Rule 91. (1) All sales of marihuana, whether legal or illegal, are subject to the general sales tax act, 1933 PA 167, MCL 205.51 to 205.78, based on the "sales price" of the property as defined by section 1(1)(d) of the general sales tax act, 1933 PA 167, MCL 205.51(1)(d). The taxable "sales price" of marihuana includes the 10% excise tax levied under section 13(1) of the Michigan regulation and taxation of marihuana act, 2018 IL 1, MCL 333.27963(1).

Example: ABC Inc. is licensed to sell adult-use marihuana as a marihuana retailer under the Michigan regulation and taxation of marihuana act, 2018 IL 1, MCL 333.27951 to 333.27967. ABC sells marihuana to customer for \$100.00. ABC is liable for \$10.00 of marihuana excise tax. ABC is also liable for sales tax on this transaction. The amount of sales tax due is 6% of \$110.00 or \$6.60.

(2) The use, storage, or consumption of marihuana in this state is subject to the use tax act, 1937 PA 94, MCL 205.91 to 205.111.

(3) For purposes of the general sales tax act and the use tax act, marihuana, in any form, does not constitute the exempt sale, use, storage, or consumption of food or prescription drugs under MCL 205.54g or 205.94d.

FILED WITH SECRETARY OF STATE

ON 2/6/20 AT 2:52 PM

LEGISLATIVE SERVICE BUREAU
P. O. BOX 30701
LANSING, MICH 48260

THIS COPY TO BE FILED
WITH
SECRETARY OF STATE