



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

December 22, 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 #20-019-TY)  
Legislative Service Bureau (Secretary of State Filing #20-12-13)  
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 #2020-019-TY (Secretary of State Filing #20-12-13) on this date at 3:14 P.M. for the Department of Treasury entitled, "Specific Sales and Use Tax Rules."

These rules take effect 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

A handwritten signature in cursive script that reads "Melissa Malerman".

Melissa Malerman, Departmental Supervisor  
Office of the Great Seal

Enclosure



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**CERTIFICATE OF ADOPTION**

**2020-019 TY**

**GENERAL SALES AND USE TAX RULES  
SPECIFIC SALES AND USE TAX RULES**

Pursuant to the authority conferred on the Department of Treasury by section 3 of 1941 PA 122, MCL 205.3, the Department of Treasury formally adopts:

R 205.127 of the Michigan Administrative Code, as amended.

Date: 07/28/2020

Adopted By: *Rachael Eubanks*  
Rachael Eubanks, State Treasurer



STATE OF MICHIGAN

GRETCHEN WHITMER  
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

ORLENE HAWKS  
DIRECTOR

## LEGAL CERTIFICATION OF RULE

I certify that I have examined the attached administrative rule, dated June 15, 2020, in which the Department of Treasury proposes to modify a portion of the Michigan Administrative Code entitled "Specific Sales and Use Tax Rules" by:

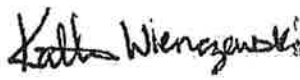
- ◆ Amending R 205.127.

The Legislative Service Bureau has approved the proposed rule as to form, classification, and arrangement.

I approve the rule as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2019-6. In certifying the rule as to legality, I have determined that it is within the scope of the authority of the agency, does not violate constitutional rights, and is in conformity with the requirements of the Administrative Procedures Act.

Dated: July 23, 2020

Michigan Office of Administrative Hearings and Rules

By:   
Katie Wienczewski,  
Attorney



Since 1941

**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 proposed rules of the Department of Treasury dated June 15, 2020, amending R 205.127 of the Department's rules entitled "General Sales and Use Tax Rules Specific Sales and Use Tax Rules." I approve the rules as to form, classification, and arrangement.

Dated: [INSERT DATE]

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 December 22, 2020

These rules take effect 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.

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

R 205.127 of the Michigan Administrative Code is amended, as follows:

R 205.127 Water

Rule 77. (1) Sales of water are taxable except when delivered through water mains, sold in bulk tanks in quantities of not less than 500 gallons, sold as bottled water, or sold for an exempt use.

(2) The sale of equipment, tools, machinery, pipes, fittings and supplies to a person for consumption or use in distributing and carrying water is taxable. Sales of tangible personal property for installation as a component part of a water pollution control facility are exempt if the facility was issued a tax exemption certificate under part 37 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.3701 to 324.3708.

(3) As used in this rule, "bottled water" means water that is placed in a safety sealed container or package for human consumption, including water that is delivered to the buyer in a reusable container that is not sold with the water. Bottled water is calorie free and does not contain sweeteners or other additives except that it may contain 1 or more of the following:

- (a) Antimicrobial agents.
- (b) Fluoride.
- (c) Carbonation.
- (d) Vitamins, minerals, and electrolytes.
- (e) Oxygen.
- (f) Preservatives.
- (g) Only those flavors, extracts, or essences derived from a spice or fruit.