

2018 Sales, Use and Withholding Taxes Monthly/Quarterly and Amended Monthly/Quarterly Worksheet

Business Account Number (FEIN or TR Number)	Return Period (MM-YYYY)
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PART 1: SALES AND USE TAX

1. Gross sales for tax period being reported. Carry amount from line 1A to line 4A.....
2. Rentals of tangible property and accommodations
3. Telecommunications services.....
4. **Total gross sales, rentals, accommodations and telecommunication services:** Carry amount from line 4A to line 1a on Form 5080 or Form 5092. Add lines 1B-3B and enter total on line 4B of this worksheet. Carry this amount to line 1b on Form 5080 or Form 5092.....

	A. Sales		B. Use: Sales & Rentals	
1.				
2.	XXXXXXXXXX			
3.	XXXXXXXXXX			
4.				

5. ALLOWABLE DEDUCTIONS

- a. Resale, sublease or subrent..... 5a.
 - b. Industrial processing exemption..... 5b.
 - c. Agricultural production exemption..... 5c.
 - d. Interstate commerce..... 5d.
 - e. Nontaxable services billed separately..... 5e.
 - f. Bad debts..... 5f.
 - g. Food for human/home consumption..... 5g.
 - h. Government exemption..... 5h.
 - i. Michigan motor fuel tax..... 5i.
 - j. Direct payment deduction..... 5j.
 - k. Other exemptions and/or deductions (see instructions)..... 5k.
 - l. Tax included in gross sales..... 5l.
 - m. Total allowable deductions. Add lines 5a - 5l..... 5m.
6. Taxable balance. Subtract line 5m from line 4..... 6.
 7. **Gross tax due:** Multiply line 6 by 6% (0.06) and carry amount to lines 2a and 2b on Form 5080 or Form 5092..... 7.
 8. Enter the prepaid tax amount from line 7, Form 5083..... 8.
 9. Enter the prepaid tax amount from line 10, Form 5085..... 9.
 10. Enter the prepaid tax amount from line 13, Form 5086..... 10.
 11. **Total prepaid tax:** Add lines 8-10. Carry this amount to line 3a on Form 5080/Form 5092..... 11.

	A. Sales Tax		B. Use Tax	
5a.				
5b.				
5c.				
5d.				
5e.				
5f.				
5g.				
5h.				
5i.			XXXXXXXXXX	
5j.				
5k.				
5l.			XXXXXXXXXX	
5m.				
6.				
7.				
8.				
9.				
10.				
11.				

PART 2: USE TAX ON ITEMS PURCHASED FOR BUSINESS OR PERSONAL USE

- 12. Purchases for which no tax was paid or inventory purchased or withdrawn for business or personal use.... 12.
- 13. **Use tax on purchases due:** Multiply line 12 by 6% (0.06) and carry to line 7 of Form 5080 or Form 5092 13.

IMPORTANT: Record the account number and return period at the top of the form. DO NOT FILE. Retain this worksheet in the business records. This worksheet may be subject to audit.

Instructions for 2018 Sales, Use and Withholding Taxes Monthly/Quarterly and Amended Monthly/Quarterly Worksheet (Form 5095)

PART 1: SALES AND USE TAX

Line 1A: Total Gross Sales for Tax Period Being Reported. Enter total sales, including cash, credit and installment transactions. Include any costs incurred before ownership of the property is transferred to the buyer, including installation, shipping, handling, and delivery charges. Car dealerships should include the full value of a trade-in vehicle.

Line 1B: Out-of-state Retailers Who do Not Have Retail Stores in Michigan: Enter total sales of tangible personal property including cash, credit, and installment transactions.

Line 2B: Rental of Tangible Property and Accommodations.

- **Lessors of tangible personal property:** Enter amount of total rental receipts.
- **Persons providing accommodations:** This includes but is not limited to total hotel, motel, and vacation home rentals, and assessments imposed under the Convention and Tourism Act, the Convention Facility Development Act, the Regional Tourism Marketing Act, and the Community Convention or Tourism Marketing Act.

Line 3B: Telecommunications Services. Enter gross income from telecommunications services.

Line 5a-5l: Allowable Exemptions and/or Deductions. Use lines 5a - 5l to deduct from gross sales the nontaxable sales included in line 4. Deductions taken for tax exempt sales must be substantiated in business records. A completed copy of Michigan Sales and Use Tax Certificate of Exemption (Form 3372) or the same information in another format must be obtained from the purchaser. For more information on exemption documentation, see Revenue Administrative Bulletin (RAB) 2016-14.

Line 5a: Resale, Sublease or Subrent. Enter resale, sublease or subrent exemption claims.

Line 5b: Industrial Processing Exemption. The property sold must be for direct use in producing a product for eventual sale at retail or to be affixed to and made a structural part of real estate located in another state.

Line 5c: Agricultural Production Exemption. The property sold must be for direct use in agricultural production.

Line 5d: Interstate Commerce. Enter sales made in interstate commerce. To claim such a deduction, the property or service must be delivered by the business to the out-of-state purchaser. Property transported out-of-state by the purchaser does not qualify as interstate commerce. Documentation of out-of-state shipments must be retained in business records to support this deduction.

Line 5e: Nontaxable Services Billed Separately. Enter charges for nontaxable services billed separately, such as repair or maintenance, if these charges were included in gross receipts on line 1. Costs, such as delivery or installation charges, that are incurred before the completion of the transfer of ownership of taxable property are included in the tax base and may not be subtracted.

Line 5f: Bad Debts. Deduct the amount of bad debts from business proceeds if all of the following criteria are met:

- The debts are charged off as uncollectible on business books and records at the time the debts become worthless
- The debts are deducted on the return for the period during which the bad debts are written off as uncollectible
- The debts are eligible to be deducted for federal income tax purposes.

A bad debt deduction may also be claimed by a third-party lender provided the retailer who reported the tax and the lender financing the sale executed and maintained a separate written election designating which party may claim the deduction. Certain additional conditions must be met. See MCL 205.54i, 205.99a, and RAB 2015-27.

Line 5g: Food for Human/Home Consumption. Enter the total of retail sales of grocery-type food, excluding tobacco and alcoholic beverages. Prepared food is subject to tax. See MCL 205.54g and MCL 205.94d for more information.

Line 5h: Government Exemption. Direct sales to the United States Government, State of Michigan, or its political subdivisions are exempt.

Line 5i: Michigan Motor Fuel Tax. Motor fuel retailers may deduct the Michigan motor fuel taxes that were included in gross sales on line 1 and paid to the State or the distributor.

Line 5j: Direct Payment Deduction. Sales to companies

that claim direct payment of sales or use tax to the State of Michigan. Such companies must have a sales tax license or use tax registration, and have a letter from Treasury specifically granting direct payment authority. For qualifications, see RAB 2000-3.

Line 5k: Other Exemptions and/or Deductions: Identify exemptions or deductions not covered in items 5a through 5j on this line. Examples of exemptions or deductions are:

- Trade-in values on vehicle sales. **Taxes paid to the Secretary of State are not allowable deductions** and must be reported on the *Vehicle Dealer Supplemental Schedule* (Form 5086 – e-file only).
- Direct sales, not for resale, to certain nonprofit agencies, churches, schools, hospitals, and homes for the care of children and the aged, provided such activities are nonprofit and payment is directly from the funds of the exempt organization.
- Assessments imposed under the Convention and Tourism Act, the Convention Facility Development Act, the Regional Tourism Marketing Act, or the Community Convention or Tourism Marketing Act. Hotels and motels may deduct the assessments included in gross sales and rentals provided use tax on the assessments was not charged to the customers.
- Credits allowed to customers for sales tax originally paid on merchandise voluntarily returned, provided the return is made within the time period for returns stated in the taxpayer's refund policy or 180 days after the initial sale, whichever is earlier. Repossessions are not allowable deductions.
- Sales to contractors of materials which will become part of a finished structure for a qualified exempt nonprofit hospital, qualified exempt nonprofit housing entity or church sanctuary, or materials to be affixed to and made a structural part of real estate located in another state. The purchaser will provide a *Michigan Sales and Use Tax Contractor Eligibility Statement* (Form 3520). See RAB 1999-2.

- Qualified nonprofit organizations may take a deduction of their sales if total sales are less than \$5,000 and they did not collect sales tax from their customers. If total sales are \$5,000 or more, the entire amount of sales is subject to tax. For qualifications, see RAB 1995-3.

Line 5l: Tax Included in Gross Sales. If tax was included on line 1 of this return, divide gross sales by 17.6667 and enter the amount.

Lines 8-10: Enter the total amount of prepaid sales tax claimed from *2018 Fuel Supplier and Wholesaler Prepaid Sales Tax Schedule* (Form 5083), *2018 Fuel Retailer Supplemental Schedule* (Form 5085), and *2018 Vehicle Dealer Supplemental Schedule* (Form 5086), if applicable, made for the current tax period.

PART 2: USE TAX ON ITEMS PURCHASED FOR BUSINESS OR PERSONAL USE

Line 12: Enter purchases for which no tax was paid, including property withdrawn from inventory for business or personal use. For Manufacturer/Contractors, alternative measures of the use tax base should be reported (see MCL 205.93a(1)(f) and (g) and RAB 2016-24 for more information). For all other taxpayers, report the "purchase price" as defined in MCL 205.92(f).

How to Compute Penalty and Interest

If the return is filed with tax due, include penalty and interest with the payment. Penalty is 5% of the tax due and increases by an additional 5% per month or fraction thereof, after the second month, to a maximum of 25%. Interest is charged daily using the average prime rate, plus 1 percent.

Refer to www.michigan.gov/taxes for current interest rate information or help in calculating late payment fees.