



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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GOVERNOR

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LETTER RULING 2015-4

LR 2015-4. Tobacco Tax Payment Requirements for Unclassified Acquirers

You are licensed as an unclassified acquirer under the Tobacco Products Tax Act (“TPTA”), MCL 205.421 *et seq.* You ask whether the TPTA tobacco tax must be reported and paid by an unclassified acquirer only after the tobacco product is sold in this state.

All TPTA licensees are required to file a monthly TPTA return even if the licensee has no sales, importations, or acquisitions of tobacco products or has no TPTA tobacco tax due for a particular reporting period. However, the date for which payment of TPTA tobacco tax is due for a particular tobacco product is dependent upon the type of TPTA licensee.

Because the TPTA tobacco tax “is levied on the sale of tobacco products” in this state, the general rule is that licensees are required to pay the applicable TPTA tobacco tax on or before the 20th day of the month following the month in which the tobacco product was sold. MCL 205.427(1)-(2). This timeframe applies to all TPTA licensees *except* unclassified acquirers.

The TPTA states that the Department “may require the payment of the tax imposed under this act upon the importation or acquisition of a tobacco product.” MCL 205.427(6). The Department has invoked this authority for unclassified acquirers, thereby requiring unclassified acquirers to pay the applicable TPTA tobacco tax on or before the 20th day of the month following the month in which the tobacco product was imported into or acquired in this state by the unclassified acquirer.

Therefore, if you become licensed as an unclassified acquirer, the timeframe for you to report your tobacco product purchases (whether involving importation or acquisition) and pay the applicable TPTA tobacco taxes will be based on your importation into Michigan (or acquisition in Michigan) of the tobacco products and not the sale of those products.

Further information is also available at: www.michigan.gov/taxes.

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