



Michigan sales tax guide

Standard rate

The standard sales tax rate in Michigan for 2024 is 6%.

Reduced rate

There is no reduced sales tax rate specified.

Sales of tax-free products and services

Some tax-free products and services in Michigan include:

Groceries;

Prescription Drugs;

Machinery;

Utilities & Fuel;

Newspapers;

and others.

Who is obliged to register sales tax in Michigan

You must register in Michigan and pay use tax on sales and rentals if you:

Sell in Michigan, qualify as a dealer under the definition, and meet the [threshold](#).

Threshold

Starting September 30, 2018, out-of-state dealers with sufficient physical or economic presence for establishing nexus in Michigan must [register to collect sales tax](#). This includes online sellers or remote sellers that meet the \$100,000 threshold – or more than 200 transactions in the state in the previous or current calendar year.

[Merchant thresholds by state](#)

[Marketplace thresholds by state](#)

The special rules are applicable to the SAAS business.

[Software as Service Tax Thresholds by state.](#)

Online Marketplaces

If all of your sales in Michigan are through a marketplace platform, and you are not a marketplace facilitator, you can not register for paying Michigan sales tax. Your marketplace facilitator pays the sales tax itself.

If you are selling through your own marketplace, then you will need to [register for paying sales tax](#) if you meet the threshold.

Sales tax payment and filing date

Depending on your tax liability, determine your filing frequency – either annual, monthly, or quarterly:

Annual – \$0 to \$62.50;

Quarterly – \$62.51 to \$300.00;

Monthly – \$300.01 and up.

Returns are always due on the 20th of the month following the reporting period. If the filing due date falls on a weekend or holiday, sales tax is generally due the next business day.

Penalty and interest

Failure to file or pay – 5% of the total unpaid tax due for the first two months.

Further – 5% of the unpaid tax amount is assessed each month (maximum – 25%).

Discount

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