

## Sales/Use/Indirect:

### Michigan: Bulletin Explains Sourcing Sales of Certain Purchases Made from Out-of-State

*Revenue Administrative Bulletin 2023-26: Sales Tax and Use Tax Sourcing*, Mich. Dept. of Treas. (12/26/23). The Michigan Department of Treasury issued a new bulletin providing taxpayer guidance on how to source the sales of certain purchases made from states outside of Michigan and describing the various underlying Michigan sales and use tax sourcing rules – many of which are applied hierarchically (“meaning a seller must source its sales under the first provision that applies”). The bulletin covers general sourcing rules for sales of tangible personal property; general sourcing rules for rentals and leases; sourcing rules for rentals and leases of motor vehicles, trailers, semitrailers, and aircraft; and sourcing rules for “other types of transactions” such as sales of advertising and promotional direct mail, and situations involving marketplace sellers and facilitators. The bulletin notes that to the extent a sale is not sourced to Michigan as addressed in the guidance, “a seller must consult the other state’s law to determine proper sourcing.” Please contact us with any questions.

**URL:** <https://www.michigan.gov/taxes/rep-legal/rab/2023-revenue-administrative-bulletins/revenue-administrative-bulletin-2023-26>

— Drew Werner (Detroit)  
Senior Manager  
Deloitte Tax LLP  
anwerner@deloitte.com

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