

Sales/Use/Indirect:

Michigan: Updated Department of Treasury Guidance Addresses Industrial Processing Exemption

Revenue Administrative Bulletin 2024-7, Mich. Dept. of Treasury (5/14/24). An updated Michigan Department of Treasury (Department) revenue administrative bulletin (RAB 2024-7) describes Michigan's industrial processing exemption under the General Sales Tax Act (GSTA) and Use Tax Act (UTA) as codified in MCL 205.54t and MCL 205.94o, respectively. RAB 2024-7 reflects several legislative amendments to the exemption enacted from 2004 through 2023 – some of which expanded the scope and applicability of Michigan's industrial processing exemption [see *State Tax Matters*, Issue 2023-19, for legislative changes made to the exemption in 2023]. In addition to legislative changes, RAB 2024-7 "incorporates legal principles from binding precedent" pursuant to various listed cases decided from 2009 through 2023, as well as reflects the Department's acquiescence to a certain unpublished Michigan Court of Appeals ruling from 2016. Please contact us with any questions.

URL: <https://www.michigan.gov/taxes/rep-legal/rab/2024-revenue-administrative-bulletins/revenue-administrative-bulletin-2024-7>

URL: https://dhub.deloitte.com/Newsletters/Tax/2023/STM/230512_11.html

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