

## Sales/Use/Indirect:

### Michigan: New Law Excludes Certain Delivery and Installation Charges from Taxable Price

*H.B. 4039 / H.B. 4253*, signed by gov. 4/26/23. New law amends Michigan sales and use tax provisions (*i.e.*, Michigan's General Sales Tax Act and Use Tax Act) by modifying the definitions of taxable "sales price" and "purchase price" to exclude certain delivery and installation charges from those definitions when the charges are separately stated on the invoice, bill of sale, or similar document provided to the purchaser, *and* the seller (for sales tax purposes) or purchaser (for use tax purposes) maintains adequate underlying books and records of such transactions. However, these exclusions generally do *not* apply to delivery or installation charges involving or relating to the sale of electricity, natural gas, or artificial gas by a utility. Please contact us with any questions.

**URL:** [https://www.legislature.mi.gov/\(S\(2n5h5aqtodp4lcgyfg241nea\)\)/mileg.aspx?page=getObject&objectName=2023-HB-4039](https://www.legislature.mi.gov/(S(2n5h5aqtodp4lcgyfg241nea))/mileg.aspx?page=getObject&objectName=2023-HB-4039)

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