



# HOUSE BILL No. 6074

September 12, 1996, Introduced by Reps. McNutt, Pitoniak, Randall, McBryde, Gernaat, Voorhees, Walberg, Hammerstrom, Geiger and Wallace and referred to the Committee on Tax Policy.

A bill to amend section 40 of Act No. 167 of the Public Acts of 1933, entitled as amended "Housing law of Michigan," as added by Act No. 156 of the Public Acts of 1994, being section 205.540 of the Michigan Compiled Laws.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Section 40 of Act No. 167 of the Public Acts of  
2 1933, as added by Act No. 156 of the Public Acts of 1994, being  
3 section 205.540 of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 40. (1) A ~~person subject to tax under this act with~~  
6 ~~aggregate sales at retail in the calendar year of less than~~  
7 ~~\$5,000.00 and not operating for profit who is a~~ school, church,  
8 hospital, parent cooperative preschool, or ~~nonprofit~~ OTHER  
9 organization, NOT OPERATING FOR PROFIT, with a tax exempt status

1 under section 4n(1)(a) or (b) may exclude from the proceeds used  
2 for the computation of the tax ~~the~~ \$5,000.00 OF sales of tangi-  
3 ble personal property SOLD for fund-raising purposes.

4 (2) A club, association, auxiliary, or other organization  
5 affiliated with a school, church, hospital, parent cooperative  
6 preschool, or nonprofit organization with a tax exempt status  
7 under section 4n(1)(a) or (b) is not considered a separate person  
8 for purposes of this exemption. As used in this section,  
9 "school" means each elementary, middle, junior, or high school  
10 site within a local school district that represents a district  
11 attendance area as established by the board of the local school  
12 district.