



**House
Legislative
Analysis
Section**

Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

SALES TAX ON THE DIFFERENCE

House Bill 4250

Sponsor: Rep. Joseph Palamara

Committee: Tax Policy

Complete to 4-14-97

A SUMMARY OF HOUSE BILL 4250 AS INTRODUCED 2-6-97

The bill would amend the General Sales Tax Act so that when a motor vehicle was used as part payment for another new vehicle (i.e., a trade-in), the sales tax would be applied to the difference between the agreed-upon value of the vehicle being used as part payment and the full retail price of the new vehicle being purchased.

MCL 205.51

House Bill 4250 (4-14-97)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.