



**House
Legislative
Analysis
Section**

House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

**MOTOR VEHICLES: SALES TAX
ON THE DIFFERENCE**

House Bill 4163

Sponsor: Rep. Doug Spade

Committee: Tax Policy

Complete to 3-6-01

A SUMMARY OF HOUSE BILL 4163 AS INTRODUCED 2-8-01

The bill would amend the General Sales Tax Act to specify that when a motor vehicle was used as part payment (as a "trade in") in a taxable sale at retail of another motor vehicle, the sales tax would be applied on the difference between the agreed upon value of the vehicle being traded in and the full retail price of the vehicle being purchased.

MCL 205.51

House Bill 4163 (3-6-01)

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.