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## NO USE TAX ON CERTAIN OUT-OF- STATE PURCHASES

House Bill 4306

Sponsor: Rep. Robert Gosselin

Committee: Tax Policy

Complete to 8-24-01

### A SUMMARY OF HOUSE BILL 4306 AS INTRODUCED 2-20-01

The bill would amend the Use Tax Act to specify that the tax would not apply to tangible personal property if the seller of the property was both 1) not located within the state and 2) not licensed under the Use Tax Act or the General Sales Tax Act.

The bill would not apply to motor vehicles, watercraft, or aircraft, which means they would remain subject to the use tax.

[Generally speaking, the use tax is a tax on the storage, use, and consumption of tangible personal property. The Department of Treasury sometimes refers to the use tax as “the remote sales tax” and describes it as a tax on purchases made outside of Michigan. This includes purchases made by mail order, over the Internet, or while traveling outside the state.]

MCL 205.94w

House Bill 4306 (8-24-01)

Analyst: C. Couch

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