

Sales tax; exemptions; collection of sales tax on local government fund-raising activities; exempt.

SALES TAX: Exemptions; SALES TAX: Collections; LOCAL GOVERNMENT: Other

A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 4o (MCL 205.54o), as added by 1994 PA 156.

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

1       Sec. 4o. (1) A person subject to tax under this act with  
2 aggregate sales at retail in the calendar year of less than  
3 \$5,000.00 and not operating for profit who is a school, church,  
4 hospital, LOCAL GOVERNMENTAL UNIT, parent cooperative preschool,  
5 or nonprofit organization with a tax exempt status under section  
6 ~~4n(1)(a)~~ 4Q(1)(A) or (b) may exclude from the proceeds used for  
7 the computation of the tax the sales of tangible personal prop-  
8 erty for fund-raising purposes.

9       (2) A club, association, auxiliary, or other organization  
10 affiliated with a school, church, hospital, LOCAL GOVERNMENTAL  
11 UNIT, parent cooperative preschool, or nonprofit organization

1 with a tax exempt status under section ~~4n(1)(a)~~ 4Q(1)(A) or (b)  
2 is not considered a separate person for purposes of this  
3 exemption. As used in this section, "school" means each elemen-  
4 tary, middle, junior, or high school site within a local school  
5 district that represents a district attendance area as estab-  
6 lished by the board of the local school district.