



**House
Legislative
Analysis
Section**

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**SALE OF MOTOR VEHICLES: TAXES
“ON THE DIFFERENCE”**

**House Bills 4158 and 4159
Sponsor: Rep. Fulton Sheen
Committee: Tax Policy**

Complete to 2-7-03

A SUMMARY OF HOUSE BILLS 4158 AND 4159 AS INTRODUCED 2-5-03

House Bill 4158 would amend the General Sales Tax Act (MCL 205.51) to provide that in the case where a motor vehicle was used as part payment in a retail sale of another motor vehicle (that is, as a “trade-in”), the sales tax would be applied to the difference between the agreed-upon value of the motor vehicle being traded in and the full retail price of the motor vehicle being purchased. House Bill 4159 would make a similar amendment to the Use Tax Act (MCL 205.92).

House Bills 4158 and 4159 (2-7-03)

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