

SUBSTITUTE FOR
SENATE BILL NO. 143

(As amended, June 30, 2004)

A bill to amend 1937 PA 94, entitled
"Use tax act,"
(MCL 205.91 to 205.111) by adding section 4y.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4y. (1) Beginning January 1, 2005, the tax under this
2 act does not apply to a transfer of a motor vehicle without
3 consideration from an organization exempt under section 501(c)(3)
4 of the internal revenue code of 1986 and licensed under the
5 charitable organizations and solicitations act, 1975 PA 169, MCL
6 400.271 to 400.294, to a qualified recipient. This exemption
7 does not apply to the transfer if the transfer of the motor
8 vehicle is made to a for-profit entity.

9 (2) As used in this section, "qualified recipient" means an
10 individual certified by the organization as meeting all of the
11 following qualifications:

<<(a) Before October 1, 2005, all of the following qualifications:>>

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1 <<(i)>> The individual receives or, if he or she applied, would
2 be eligible to receive public assistance through a program
3 created and administered under the social welfare act, 1939 PA
4 280, MCL 400.1 to 400.119b.

5 <<(ii)>> The individual has a valid Michigan operator's or
6 chauffeur's license.

7 <<(iii)>> Public transportation is not reasonably available to the
8 individual, the individual has no other reliable means by which
9 to commute to his or her place of employment, and the individual
10 will use the eligible vehicle as his or her primary means of
11 transportation to commute to and from his or her place of
12 employment.

13 <<(iv)>> If the individual is currently employed for not less than
14 an average of 20 hours per week, the individual requires an
15 automobile to retain his or her current employment or to accept a
16 verified offer of employment in a position that is demonstrably
17 superior to his or her current position of employment.

18 <<(v)>> If the individual is not currently employed or is
19 employed for less than an average of 20 hours per week, the
20 individual requires an automobile to accept a verified offer of
21 employment of not less than an average of 20 hours per week and
22 cannot begin employment in that position without an automobile.

 <<(b) After September 30, 2005, all of the following qualifications:

 (i) The individual receives or, if he or she applied, would be
eligible to receive public assistance through a program created and
administered under the social welfare act, 1939 PA 280, MCL 400.1 to
400.119b, or the individual has a total household income below 200% of
the federal poverty guidelines updated annually in the federal register
of the United States department of health and human services.

 (ii) The individual has a valid Michigan operator's or chauffeur's
license.>>