SUBSTITUTE FOR

HOUSE BILL NO. 6386

A bill to amend 1937 PA 94, entitled

"Use tax act,"

by amending section 6a (MCL 205.96a), as amended by 2004 PA 172.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6a. (1) The organizing entity of a qualified athletic

2 event that sells corporate sponsor contracts for the event that

3 include both taxable tangible personal property and services may

4 exempt the sale of taxable tangible personal property or taxable

5 services if all of the following criteria have been met:

6 (a) The organizing entity is exempt or is wholly owned by an

7 entity exempt under section 501(c)(6) of the internal revenue code,

8 26 USC 501.

9 (b) The organizing entity provided both of the following to

1 the department at least ~~180~~ **60** days in advance of entering into

2 the first corporate sponsor contract:

3   (*i*) Written notice of its intent to enter into corporate

4 sponsor contracts.

5   (*ii*) An itemized schedule of the tangible personal property and

6 services that will be provided under each corporate sponsor

7 contract.

8   (c) The department has given written approval to the

9 organizing entity.

10   (2) As used in this section, "qualified athletic event" means

11 ~~either~~ **1 OR MORE** of the following:

12   (a) A professional sporting competition in which individuals

13 officially representing at least 2 countries or nations compete.

14   (b) A professional football competition in which teams compete

15 in a postseason event to determine the league champion.

16   **(C) A PROFESSIONAL GOLFERS' ASSOCIATION COMPETITION IN WHICH**

17 **INDIVIDUALS COMPETE IN AN EVENT TO DETERMINE A CHAMPION.**

18   **(D) A COLLEGIATE BASKETBALL COMPETITION IN WHICH TEAMS COMPETE**

19 **IN A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.**

20   **(E) A COLLEGIATE HOCKEY COMPETITION IN WHICH TEAMS COMPETE IN**

21 **A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.**

22   (3) This section is repealed effective January 1, ~~2007~~ **2011**.