

# SENATE BILL No. 1372

August 9, 2006, Introduced by Senator JOHNSON and referred to the Committee on Appropriations.

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 5b (MCL 205.55b), as amended by 2004 PA 173.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 5b. (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 retail sale of the taxable tangible personal property if  
5       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 days in advance of entering into the  
2 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 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. A~~

16 **PROFESSIONAL GOLFERS' ASSOCIATION COMPETITION IN WHICH INDIVIDUALS**  
17 **COMPETE IN A POSTSEASON EVENT TO DETERMINE A CHAMPION.**

18 (3) This section is repealed effective January 1, ~~2007~~ 2009.