

SENATE BILL No. 636

December 3, 2015, Introduced by Senator HUNE and referred to the Committee on Finance.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
(MCL 205.51 to 205.78) by adding section 4ee.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 4EE. (1) SUBJECT TO SUBSECTIONS (2) AND (3), THE TAX
2 UNDER THIS ACT DOES NOT APPLY TO THE SALE OF THE FOLLOWING:

3 (A) TANGIBLE PERSONAL PROPERTY SOLD TO A TAXPAYER FOR USE IN
4 THE HARVESTING, HANDLING, TRANSFORMATION, OR PACKAGING OF AQUATIC
5 VEGETATION FROM THE WATERS OF THE STATE.

6 (B) REPAIR PARTS FOR TANGIBLE PERSONAL PROPERTY USED IN THE
7 HARVESTING, HANDLING, TRANSFORMATION, OR PACKAGING OF AQUATIC
8 VEGETATION FROM THE WATERS OF THE STATE.

9 (2) THE PROPERTY UNDER SUBSECTION (1) IS EXEMPT ONLY TO THE
10 EXTENT THAT THE PROPERTY IS USED FOR THE EXEMPT PURPOSES STATED IN

1 THIS SECTION. THE EXEMPTION IS LIMITED TO THE PERCENTAGE OF EXEMPT
2 USE TO TOTAL USE DETERMINED BY A REASONABLE FORMULA OR METHOD
3 APPROVED BY THE DEPARTMENT.

4 (3) THE EXEMPTION UNDER SUBSECTION (1) DOES NOT INCLUDE A
5 MOTOR VEHICLE LICENSED OR REQUIRED TO BE LICENSED FOR USE ON THE
6 PUBLIC ROADS OR HIGHWAYS OF THIS STATE.

7 (4) AS USED IN THIS SECTION, "WATERS OF THE STATE" MEANS THAT
8 TERM AS DEFINED IN SECTION 3302 OF THE NATURAL RESOURCES AND
9 ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.3302.