

Act No. 249
Public Acts of 2018
Approved by the Governor
June 27, 2018
Filed with the Secretary of State
June 28, 2018
EFFECTIVE DATE: September 26, 2018

**STATE OF MICHIGAN
99TH LEGISLATURE
REGULAR SESSION OF 2018**

Introduced by Reps. Leutheuser, Kahle, Lucido, Hughes, VanderWall, Canfield, Pagel, Brann and Kosowski

ENROLLED HOUSE BILL No. 4115

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending section 4o (MCL 205.54o), as amended by 2016 PA 503.

The People of the State of Michigan enact:

Sec. 4o. (1) The sale of the first \$10,000.00 of tangible personal property in a calendar year for fund-raising purposes by a school, church, hospital, parent cooperative preschool, or nonprofit organization that has a tax-exempt status under section 4q(1)(a) or (b) and that has aggregate sales at retail in the calendar year of less than \$25,000.00 are exempt from the tax under this act.

(2) A club, association, auxiliary, or other organization affiliated with a school, church, hospital, parent cooperative preschool, or nonprofit organization with a tax-exempt status under section 4q(1)(a) or (b) is not considered a separate person for purposes of this exemption. As used in this section, "school" means each elementary, middle, junior, or high school site within a local school district that represents a district attendance area as established by the board of the local school district.

(3) Except as otherwise limited under this subsection, the sale of tangible personal property by a veterans' organization that is exempt from federal income tax under section 501(c)(19) of the internal revenue code, 26 USC 501, for the purpose of raising funds for the benefit of an active duty service member or a veteran is exempt from the tax under this act. The exemption under this subsection is limited to \$25,000.00 in aggregate sales of tangible personal property for each individual fund-raising event. A club, association, auxiliary, or other organization affiliated with a veterans' organization that is exempt from federal income tax under section 501(c)(19) of the internal revenue code, 26 USC 501, is not considered a separate person for purposes of this exemption. As used in this subsection:

(a) "Active duty" means active duty pursuant to an executive order of the President of the United States, an act of Congress, or an order of the governor.

(b) "Armed Forces of the United States" means the Army, Air Force, Navy, Marine Corps, Coast Guard, or other military force designated by Congress as a part of the Armed Forces of the United States.

(c) "Service member" means a member of the Armed Forces of the United States, a reserve branch of the Armed Forces of the United States, or the National Guard.

(d) "Veteran" means any of the following:

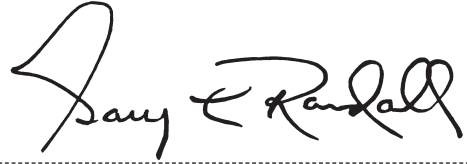
(i) A person who served on active duty in the Armed Forces of the United States for a period of more than 180 days and separated from the Armed Forces of the United States in a manner other than a dishonorable discharge.

(ii) A person discharged or released from active duty because of a service-related disability.

(iii) A member of a reserve branch of the Armed Forces of the United States at the time he or she was ordered to active duty pursuant to subtitle E of title 10 of the United States Code, 10 USC 10001 to 18506, who served on active duty during a period of war, or in a campaign or expedition for which a campaign badge is authorized, and was released from active duty in a manner other than a dishonorable discharge.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor