HOUSE BILL NO. 4224

February 11, 2021, Introduced by Reps. Lilly, Anthony, Bellino, Frederick, Allor, Hood, Tate, Steckloff, Hertel, Mueller, Hoitenga and Yancey and referred to the Committee on Rules and Competitiveness.

A bill to amend 1933 PA 167, entitled

"General sales tax act,"

(MCL 205.51 to 205.78) by adding section 4gg.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 4gg. (1) Beginning March 10, 2020 through December 31, 2021, a person subject to the tax under this act may exclude from the gross proceeds used for the computation of the tax the sale of personal protective equipment and supplies to a qualified employer for use or consumption in a business activity of the qualified

employer.

(2) As used in this section:

(a) "Business activity" means that term as defined in section 603 of the income tax act of 1967, 1967 PA 281, MCL 206.603.

(b) "COVID-19 safety protocol plan" means a COVID-19 exposure prevention, preparedness, and response plan that meets all of the following requirements:

(*i*) Complies with any applicable law, including any applicable executive orders regarding safeguards to protect Michigan's workers from COVID-19.

(*ii*) Is consistent with best practices for infection prevention and industrial hygiene.

(*iii*) Promotes remote work to the fullest extent possible, including, but not limited to, increasing the number of telework-eligible employees.

(*iv*) Implements enhanced cleaning, screening, testing, and contact tracing procedures and any additional infection-control measures that are reasonable in light of the work performed at the worksite and the rate of infection in the surrounding community.

(c) "Disinfecting products" means products designed to disinfect or sanitize an individual, workplace, or protective equipment. Disinfecting products include, but are not limited to, antibacterial soap, disinfecting spray, disinfecting wipes, and hand sanitizer.

(d) "Employer" means that term as defined in section 8 of the income tax act of 1967, 1967 PA 281, MCL 206.8.

(e) "Personal protective equipment and supplies" means protective equipment, disinfecting products, and plexiglass used as a barrier to reduce or prevent exposure to COVID-19.

(f) "Protective equipment" means items for human wear and designed as protection of the wearer against injury or disease or as protection against damage or injury of other persons or property but not suitable for general use. Protective equipment includes, but is not limited to, breathing masks, face shields, respirators, protective gloves, and safety glasses and goggles.

(g) "Qualified employer" means an employer that adopts and maintains a COVID-19 safety protocol plan.

Enacting section 1. This amendatory act is retroactive and applies retroactively beginning March 10, 2020.