

HOUSE BILL No. 6207

November 8, 1990, Introduced by Reps. DeLange, Stabenow, Martin, Fitzgerald, Kulchitsky, Mathieu, Hoekman, Bender, London, Munsell and Van Singel and referred to the Committee on Taxation.

A bill to amend Act No. 206 of the Public Acts of 1893,
entitled as amended

"The general property tax act,"

as amended, being sections 211.1 to 211.157 of the Michigan
Compiled Laws, by adding section 9d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 206 of the Public Acts of 1893, as
2 amended, being sections 211.1 to 211.157 of the Michigan Compiled
3 Laws, is amended by adding section 9d to read as follows:

4 SEC. 9D. (1) COMPUTER SOFTWARE IS EXEMPT FROM TAXATION
5 UNDER THIS ACT UNLESS EITHER OF THE FOLLOWING IS TRUE:

6 (A) THE SOFTWARE IS INCORPORATED AS A PERMANENT COMPONENT OF
7 A COMPUTER, MACHINE, PIECE OF EQUIPMENT, OR DEVICE, OR OF REAL
8 PROPERTY, AND THE SOFTWARE IS NOT COMMONLY AVAILABLE SEPARATELY.

1 (B) THE COST OF THE SOFTWARE IS INCLUDED AS PART OF THE COST
2 OF A COMPUTER, MACHINE, PIECE OF EQUIPMENT, OR DEVICE, OR OF THE
3 COST OF REAL PROPERTY ON THE BOOKS OR RECORDS OF THE TAXPAYER.

4 (2) THIS SECTION SHALL NOT BE CONSTRUED TO AFFECT THE VALUE
5 OF A MACHINE, DEVICE, PIECE OF EQUIPMENT, OR COMPUTER, OR THE
6 VALUE OF REAL PROPERTY, OR TO AFFECT THE TAXABLE STATUS OF ANY
7 OTHER PROPERTY SUBJECT TO TAX UNDER THIS ACT.

8 (3) AS USED IN THIS SECTION, "COMPUTER SOFTWARE" MEANS A SET
9 OF STATEMENTS OR INSTRUCTIONS THAT WHEN INCORPORATED IN A
10 MACHINE-USABLE MEDIUM IS CAPABLE OF CAUSING A MACHINE OR DEVICE
11 HAVING INFORMATION PROCESSING CAPABILITIES TO INDICATE, PERFORM,
12 OR ACHIEVE A PARTICULAR FUNCTION, TASK, OR RESULT.