



HOUSE BILL No. 4356

February 8, 1995, Introduced by Reps. Profit and Bullard and referred to the Committee on Tax Policy.

A bill to amend section 4k of Act No. 94 of the Public Acts of 1937, entitled as amended

"Use tax act,"

as added by Act No. 5 of the Public Acts of 1992, being section 205.94k of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 4k of Act No. 94 of the Public Acts of
2 1937, as added by Act No. 5 of the Public Acts of 1992, being
3 section 205.94k of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 4k. (1) The tax levied under this act does not apply
6 to parts and materials, excluding shop equipment or fuel, affixed
7 to or to be affixed in this state to an aircraft owned or used by
8 a domestic ~~passenger or property~~ air carrier ~~operating under a~~
9 ~~certificate issued by the United States department of~~

~~1 transportation pursuant to section 401 of title IV of the federal~~
~~2 aviation act of 1958, Public Law 85-726, 49 U.S.C. Appx 1371, if~~
~~3 the aircraft is used primarily in the commercial transport of~~
~~4 passengers or property. This section does not apply after~~
5 ~~December 31, 1996.~~ THAT IS ANY OF THE FOLLOWING:

6 (A) AN AIRCRAFT PURCHASED AFTER DECEMBER 31, 1992 FOR USE
7 SOLELY IN THE TRANSPORT OF AIR CARGO THAT HAS A MAXIMUM CERTIFI-
8 CATED TAKEOFF WEIGHT OF AT LEAST 12,500 POUNDS.

9 (B) AN AIRCRAFT PURCHASED AFTER JUNE 30, 1994 THAT IS USED
10 SOLELY IN THE REGULARLY SCHEDULED TRANSPORT OF PASSENGERS.

11 (C) AN AIRCRAFT OTHER THAN AN AIRCRAFT DESCRIBED IN SUBDIVI-
12 SION (B), PURCHASED AFTER DECEMBER 31, 1994 THAT HAS A MAXIMUM
13 CERTIFICATED TAKEOFF WEIGHT OF AT LEAST 12,500 POUNDS AND THAT IS
14 DESIGNED TO HAVE A MAXIMUM PASSENGER SEATING CONFIGURATION OF
15 MORE THAN 30 SEATS AND USED SOLELY IN THE TRANSPORT OF
16 PASSENGERS.

17 (2) FOR PURPOSES OF THIS SECTION, "DOMESTIC AIR CARRIER" IS
18 LIMITED TO ENTITIES ENGAGED IN THE COMMERCIAL TRANSPORT FOR HIRE
19 OF CARGO OR ENTITIES ENGAGED IN THE COMMERCIAL TRANSPORT OF PAS-
20 SENGERS AS A BUSINESS ACTIVITY.