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EXEMPT TV AND RADIO EQUIPMENT

House Bills 6016 and 6017
Sponsor: Rep. Kirk A. Profit
Committee: Tax Policy

Complete to 9-15-98

A SUMMARY OF HOUSE BILLS 6016 AND 6017 AS INTRODUCED 9-15-98

The bills would provide sales and use tax exemptions for property purchased by a person or entity licensed by the Federal Communications Commission (FCC) to operate a radio or television station if the property is used directly and primarily for the origination and integration of the various sources of program material for broadcast or for the production of a broadcast signal, including property required by the FCC, property used in the transmission to or reception from an artificial satellite, and electricity. The exemption would not apply to a vehicle licensed and titled for use on a public highway. House Bill 6016 would amend the Use Tax Act (MCL 205.94) and House Bill 6017 would amend the General Sales Tax Act (MCL 205.54a).

Currently, the acts contain exemptions for commercial radio and television stations that apply to property "used in the origination or integration of the various sources of program material", but the acts specifically exclude from the exemption property used in transmitting to or receiving from an artificial satellite, as well as vehicles licensed and titled for use on a public highway.

House Bills 6016 and 6017 (9-15-98)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.