

**SUBSTITUTE FOR  
HOUSE BILL NO. 4742**

(As amended February 5 and April 2, 1998)

A bill to amend 1937 PA 94, entitled  
"Use tax act,"  
(MCL 205.91 to 205.111) by adding section 4m.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 4M. (1) THE TAX LEVIED UNDER THIS ACT DOES NOT APPLY  
2 TO TANGIBLE PERSONAL PROPERTY PURCHASED BY A PERSON ENGAGED IN  
3 THE BUSINESS OF CONSTRUCTING, ALTERING, REPAIRING, OR IMPROVING  
4 REAL ESTATE FOR OTHERS IF THE PROPERTY IS TO BE AFFIXED TO OR  
5 MADE A STRUCTURAL PART OF REAL ESTATE OWNED [AND] OCCUPIED BY A NON-  
6 PROFIT HOSPITAL [OR IF THE CONSTRUCTION COSTS ARE PAID FOR BY THE  
NONPROFIT HOSPITAL AND THE REAL ESTATE IS USED FOR NONPROFIT MEDICAL  
CARE SERVICES]. AT THE TIME OF THE TRANSFER OF TANGIBLE PER-  
7 SONAL PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED UNDER THIS SEC-  
8 TION, THE TRANSFEREE SHALL SIGN AN AFFIDAVIT, IN A FORM APPROVED  
9 BY THE DEPARTMENT, ATTESTING TO THE FACT THAT THE PROPERTY IS  
10 ELIGIBLE FOR EXEMPTION UNDER THIS SECTION.

**HB4742, As Passed House, April 2, 1998**

House Bill No. 4742

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1           (2) FOR TAXES LEVIED AFTER DECEMBER 31, 1991, AS USED IN  
2 THIS SUBSECTION, "HOSPITAL" MEANS A SEPARATELY ORGANIZED ENTITY,  
3 OR A GROUP OF ENTITIES SUFFICIENTLY RELATED TO BE CONSIDERED A  
4 SINGLE EMPLOYER FOR PURPOSES OF SECTION 414 OF THE INTERNAL REVE-  
5 NUE CODE, THE PRIMARY PURPOSE OF WHICH IS TO PROVIDE MEDICAL,  
6 OBSTETRICAL, PSYCHIATRIC, OR SURGICAL CARE OR NURSING. NURSING  
7 INCLUDES CARE PROVIDED BY SKILLED NURSES IN A LONG-TERM CARE  
8 FACILITY.

9           Enacting section 1. This amendatory act does not take  
10 effect unless House Bill No. 5053 of the 89th Legislature is  
11 enacted into law.