

**SUBSTITUTE FOR
SENATE BILL NO. 734**

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending section 4d (MCL 205.94d), as amended by 1992 PA 267.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4d. (1) The tax levied under this act does not apply
2 to a purchase of a prescription drug for human use or food for
3 human consumption; to the deposit on a returnable container for a
4 beverage or the deposit on a carton or case that is used for
5 returnable containers; TO FOOD AND NONALCOHOLIC BEVERAGES PRO-
6 VIDED DURING WORK HOURS BY AN EMPLOYER TO EMPLOYEES WHO ARE
7 EMPLOYED PRIMARILY IN THE BUSINESS OF PREPARING OR SELLING PRE-
8 PARED FOOD INTENDED FOR IMMEDIATE CONSUMPTION; to food or tangi-
9 ble personal property purchased with federal food stamps; or to
10 fruit or vegetable seeds and fruit or vegetable plants if
11 purchased at a place of business authorized to accept food stamps

SB 734, As Passed Senate, November 9, 1999

Senate Bill No. 734

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1 by the food and nutrition service of the United States department
2 of agriculture or a place of business that has made a complete
3 and proper application for authorization to accept food stamps
4 but has been denied authorization and provides proof of denial to
5 the department of treasury.

6 (2) "Prescription drug for human use" means insulin or a
7 drug dispensed by a licensed pharmacist pursuant to a written
8 prescription prescribed by a licensed physician or other health
9 professional as defined in section 21005 of the public health
10 code, ~~Act No. 368 of the Public Acts of 1978, being section~~
11 ~~333.21005 of the Michigan Compiled Laws~~ 1978 PA 368, MCL
12 333.21005, for the use of a designated person, or oxygen dis-
13 pensed pursuant to a written prescription or order issued by a
14 licensed physician or other health professional as defined in
15 section 21005 of ~~Act No. 368 of the Public Acts of 1978~~ THE
16 PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.21005.

17 (3) "Food for human consumption" means all food or drink
18 items, including bottled water, primarily intended for human con-
19 sumption except a beverage with an alcoholic content of 1/2 of 1%
20 or more by volume, tobacco, or tobacco products.