

**HB6002, As Passed House, May 21, 2002**

**SUBSTITUTE FOR  
HOUSE BILL NO. 6002**

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
(MCL 205.51 to 205.78) by adding section 5b.

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

1        SEC. 5B. (1) NOTWITHSTANDING THE PROVISIONS OF SECTION 2,  
2        THE ORGANIZING ENTITY OF AN INTERNATIONALLY TELEVISED ATHLETIC  
3        EVENT THAT SELLS CORPORATE SPONSOR CONTRACTS FOR THE EVENT THAT  
4        INCLUDE BOTH TAXABLE TANGIBLE PERSONAL PROPERTY AND NONTAXABLE  
5        SERVICES MAY APPLY THE TAX ONLY TO THE AMOUNT CHARGED FOR THE  
6        TAXABLE TANGIBLE PERSONAL PROPERTY IF ALL OF THE FOLLOWING CRI-  
7        TERIA HAVE BEEN MET:  
8        (A) THE ORGANIZING ENTITY IS EXEMPT OR IS WHOLLY OWNED BY AN  
9        ENTITY EXEMPT UNDER SECTION 501(c)(6) OF THE INTERNAL REVENUE  
10       CODE OF 1986.

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1 (B) THE ORGANIZING ENTITY PROVIDED BOTH OF THE FOLLOWING TO  
2 THE DEPARTMENT AT LEAST 180 DAYS IN ADVANCE OF ENTERING INTO THE  
3 FIRST CORPORATE SPONSOR CONTRACT:

4 (i) WRITTEN NOTICE OF ITS INTENT TO ENTER INTO CORPORATE  
5 SPONSOR CONTRACTS.

6 (ii) AN ITEMIZED SCHEDULE OF THE TAXABLE TANGIBLE PERSONAL  
7 PROPERTY AND NONTAXABLE SERVICES THAT WILL BE PROVIDED UNDER EACH  
8 CORPORATE SPONSOR CONTRACT.

9 (C) THE DEPARTMENT HAS GIVEN WRITTEN APPROVAL TO THE ORGA-  
10 NIZING ENTITY'S ALLOCATION OF THE TAX AMONG TAXABLE TANGIBLE PER-  
11 SONAL PROPERTY AND NONTAXABLE SERVICES.

12 (2) AS USED IN THIS SECTION, "INTERNATIONALLY TELEVISED ATH-  
13 LETIC EVENT" MEANS [AN INTERNATIONALLY TELEVISED] SPORTING COMPETITION IN  
WHICH TEAMS FROM AT  
14 LEAST 2 STATES, COUNTRIES, OR NATIONS COMPETE IN A NATIONAL OR  
15 INTERNATIONAL [ ] EVENT.