

SENATE 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; and to repeal acts  
and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 5B. (1) NOTWITHSTANDING THE PROVISIONS OF SECTION 2,  
2        THE ORGANIZING ENTITY OF A QUALIFIED ATHLETIC EVENT THAT SELLS  
3        CORPORATE SPONSOR CONTRACTS FOR THE EVENT THAT INCLUDE BOTH TAX-  
4        ABLE TANGIBLE PERSONAL PROPERTY AND NONTAXABLE SERVICES MAY APPLY  
5        THE TAX ONLY TO THE AMOUNT CHARGED FOR THE SALE OF TAXABLE TANGI-  
6        BLE PERSONAL PROPERTY IF ALL OF THE FOLLOWING CRITERIA HAVE BEEN  
7        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.

**HB 6002, As Passed Senate, June 27, 2002**

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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, "QUALIFIED ATHLETIC EVENT"  
13 MEANS EITHER OF THE FOLLOWING:

14           (A) A PROFESSIONAL SPORTING COMPETITION IN WHICH INDIVIDUALS  
15 OFFICIALLY REPRESENTING AT LEAST 2 COUNTRIES OR NATIONS COMPETE.

16           (B) A PROFESSIONAL FOOTBALL COMPETITION IN WHICH TEAMS COM-  
17 PETE IN A POSTSEASON EVENT TO DETERMINE THE LEAGUE CHAMPION.

18           (3) THIS SECTION IS REPEALED EFFECTIVE JANUARY 1, 2007.