

SENATE BILL 492

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 4x (MCL 205.54x), as added by 2000 PA 204.

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

1       Sec. 4x. (1) A person subject to THE tax under this act may  
2 exclude from the gross proceeds used for the computation of this  
3 tax sales to a domestic air carrier of 1 or more of the  
4 following:

5       (a) An aircraft that has a maximum certificated takeoff  
6 weight of at least 6,000 pounds for use solely in the transport  
7 of air cargo, passengers, or a combination of air cargo and  
8 passengers.

9       (b) Parts and materials, excluding shop equipment or fuel,  
10 affixed or to be affixed to an aircraft that has a maximum  
11 certificated takeoff weight of at least 6,000 pounds for use

1 solely in the transport of air cargo, passengers, or a  
2 combination of air cargo and passengers.

3       (2) A PERSON SUBJECT TO THE TAX UNDER THIS ACT MAY EXCLUDE  
4 FROM THE GROSS PROCEEDS USED FOR THE COMPUTATION OF THIS TAX  
5 SALES OF AN AIRCRAFT TO A PERSON FOR SUBSEQUENT LEASE TO A DOMES-  
6 TIC AIR CARRIER OPERATING UNDER A CERTIFICATE ISSUED BY THE FED-  
7 ERAL AVIATION ADMINISTRATION UNDER 14 C.F.R. 121, FOR USE SOLELY  
8 IN THE REGULARLY SCHEDULED TRANSPORT OF PASSENGERS.

9       (3) ~~—(2)—~~ As used in this section, "domestic air carrier" is  
10 limited to entities engaged primarily in the commercial transport  
11 for hire of air cargo, passengers, or a combination of air cargo  
12 and passengers as a business activity.