

HOUSE BILL No. 5739

February 21, 2002, Introduced by Reps. Rivet and Middaugh and referred to the Committee on Tax Policy.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 4o (MCL 205.54o), as added by 1994 PA 156,
and by adding section 4aa.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4o. (1) A person subject to tax under this act with
2 aggregate sales at retail in the calendar year of less than
3 \$5,000.00 and not operating for profit who is a school, ~~church,~~
4 hospital, parent cooperative preschool, or nonprofit organization
5 with a tax exempt status under section ~~4n(1)(a)~~ 4Q(1)(A) or (b)
6 may exclude from the proceeds used for the computation of the tax
7 the sales of tangible personal property for fund-raising
8 purposes.

9 (2) A club, association, auxiliary, or other organization
10 affiliated with a school, church, hospital, parent cooperative

1 preschool, or nonprofit organization with a tax exempt status
2 under section ~~4n(1)(a)~~ 4Q(1)(A) or (b) is not considered a sep-
3 arate person for purposes of this exemption. As used in this
4 section, "school" means each elementary, middle, junior, or high
5 school site within a local school district that represents a dis-
6 trict attendance area as established by the board of the local
7 school district.

8 SEC. 4AA. A PERSON SUBJECT TO TAX UNDER THIS ACT WITH
9 AGGREGATE SALES AT RETAIL IN THE CALENDAR YEAR OF LESS THAN
10 \$50,000.00 AND NOT OPERATING FOR PROFIT WHO IS A REGULARLY ORGA-
11 NIZED CHURCH WITH A TAX EXEMPT STATUS UNDER SECTION 4Q(1)(B) MAY
12 EXCLUDE FROM THE PROCEEDS USED FOR THE COMPUTATION OF THE TAX THE
13 SALES OF TANGIBLE PERSONAL PROPERTY FOR FUND-RAISING PURPOSES.