

Act No. 510
Public Acts of 2002
Approved by the Governor
July 23, 2002
Filed with the Secretary of State
July 23, 2002
EFFECTIVE DATE: July 23, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Reps. Bisbee and Vear

ENROLLED HOUSE BILL No. 6002

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this 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:

Sec. 5b. (1) Notwithstanding the provisions of section 2, the organizing entity of a qualified athletic event that sells corporate sponsor contracts for the event that include both taxable tangible personal property and nontaxable services may apply the tax only to the amount charged for the sale of taxable tangible personal property if all of the following criteria have been met:

(a) The organizing entity is exempt or is wholly owned by an entity exempt under section 501(c)(6) of the internal revenue code of 1986.

(b) The organizing entity provided both of the following to the department at least 180 days in advance of entering into the first corporate sponsor contract:

(i) Written notice of its intent to enter into corporate sponsor contracts.

(ii) An itemized schedule of the taxable tangible personal property and nontaxable services that will be provided under each corporate sponsor contract.

(c) The department has given written approval to the organizing entity's allocation of the tax among taxable tangible personal property and nontaxable services.

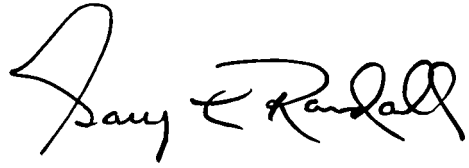
(2) As used in this section, "qualified athletic event" means either of the following:

(a) A professional sporting competition in which individuals officially representing at least 2 countries or nations compete.

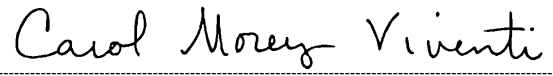
(b) A professional football competition in which teams compete in a postseason event to determine the league champion.

(3) This section is repealed effective January 1, 2007.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.