

HOUSE BILL No. 5299

November 13, 2003, Introduced by Rep. Wenke and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending sections 4g and 15 (MCL 205.94g and 205.105), section
4g as added by 1985 PA 66.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4g. (1) ~~The~~ **Except as provided under subsection (2),**
2 **the** tax levied **under this act** shall not apply to property
3 purchased from a seller or transferor if the property is part of
4 the purchase or transfer of a business.

5 (2) The exemption ~~provided by~~ **under** this section shall not
6 apply to all of the following:

7 (a) The purchase or transfer of tangible personal property
8 that is stock-in-trade or other property of a kind ~~which~~ **that**
9 would properly be included in the inventory of the seller or
10 transferor if on hand at the close of the seller's or

1 transferor's tax period or property held by the seller or
2 transferor for sale to customers in the ordinary course of its
3 trade or business.

4 (b) The purchase or transfer of a motor vehicle, ORV, mobile
5 home, aircraft, snowmobile, or watercraft.

6 (3) As used in this section, "purchase or transfer of a
7 business" means 1 or more of the following:

8 (a) The purchaser or transferee has acquired and intends to
9 use the seller's or transferor's trade name or good will.

10 (b) The purchaser or transferee intends to continue all or
11 part of the business of the seller or transferor at the same
12 location or at another location.

13 (c) The purchaser or transferee acquired at least 75% of the
14 seller's or transferor's tangible personal property at 1 or more
15 of the seller's or transferor's business locations **within this**
16 **state.**

17 Sec. 15. ~~Any~~ **A** seller who fails to register with the
18 department as required under this act, ~~shall be deemed~~ **is**
19 guilty of a misdemeanor and ~~upon conviction thereof shall be~~
20 ~~finned the sum of \$25.00~~ **is liable for a fine of \$30.00** for each
21 day ~~such~~ **the** failure, neglect, or refusal to ~~so~~ register
22 continues after notice to ~~such~~ **the** seller from the department
23 that ~~he~~ **the seller** is required to register under this act.