

Act No. 4
Public Acts of 2004
Approved by the Governor
February 19, 2004
Filed with the Secretary of State
February 19, 2004
EFFECTIVE DATE: December 31, 2003

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Reps. Middaugh, Woronchak, Nofs, Huizenga, Hune, Caswell, Bisbee, Nitz, Gaffney, Shulman, Wenke, LaJoy, Milosch, Vander Veen, Shaffer, Tabor, Shackleton, Palmer, Ehardt, Sheen, Kooiman, Stahl, Hoogendyk, Casperson, Richardville, Julian, Palsrok, Voorhees, Newell, Farhat, Pastor and Steil

ENROLLED HOUSE BILL No. 5244

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 9b (MCL 211.9b), as amended by 2003 PA 274.

The People of the State of Michigan enact:

Sec. 9b. (1) A special tool is exempt from the collection of taxes under this act.

(2) The statement required under section 19 may provide for a separate line for providing the aggregate total original cost of excluded exempt special tools.

(3) As used in this section:

(a) "Product" means an item of tangible property that is directly created or produced through the manufacturing process. A product may be any of the following items:

(i) A part.

(ii) A special tool.

(iii) A component.

(iv) A sub-assembly.

(v) Completed goods that are available for sale or lease in wholesale or retail trade.

(b) "Special tool" means a finished or unfinished device such as a die, jig, fixture, mold, pattern, special gauge, or similar device, that is used, or is being prepared for use, to manufacture a product and that cannot be used to manufacture another product without substantial modification of the device. The length of the economic life of the product manufactured shall not be considered in making a determination whether a device used to manufacture that product is a special tool. Special tools do not include the following:

(i) A device that differs in character from dies, jigs, fixtures, molds, patterns, or special gauges.

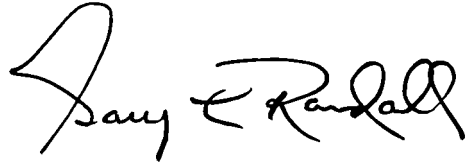
(ii) Standard tools.

(iii) Machinery or equipment, even if customized, and even if used in conjunction with special tools.

(c) "Standard tool" means a die, jig, fixture, mold, pattern, gauge, or other tool that is not a special tool. Standard tool does not include machinery or equipment, even if customized, and even if used in conjunction with special tools or standard tools.

Enacting section 1. This amendatory act is retroactive and is effective December 31, 2003.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor