

**SUBSTITUTE FOR  
HOUSE BILL NO. 6387**

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 5b (MCL 205.55b), as amended by 2004 PA 173.

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

1       Sec. 5b. (1) The organizing entity of a qualified athletic  
2 event that sells corporate sponsor contracts for the event that  
3 include both taxable tangible personal property and services may  
4 exempt the retail sale of the taxable tangible personal property if  
5 all of the following criteria have been met:

6       (a) The organizing entity is exempt or is wholly owned by an  
7 entity exempt under section 501(c)(6) of the internal revenue code,  
8 26 USC 501.

9       (b) The organizing entity provided both of the following to

1 the department at least ~~180~~ 60 days in advance of entering into  
2 the first corporate sponsor contract:

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

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

8 (c) The department has given written approval to the  
9 organizing entity.

10 (2) As used in this section, "qualified athletic event" means  
11 ~~either~~ 1 OR MORE of the following:

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

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

16 (C) A PROFESSIONAL GOLFERS' ASSOCIATION COMPETITION IN WHICH  
17 INDIVIDUALS COMPETE IN AN EVENT TO DETERMINE A CHAMPION.

18 (D) A COLLEGIATE BASKETBALL COMPETITION IN WHICH TEAMS COMPETE  
19 IN A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.

20 (E) A COLLEGIATE HOCKEY COMPETITION IN WHICH TEAMS COMPETE IN  
21 A POSTSEASON EVENT TO DETERMINE THE NATIONAL CHAMPION.

22 (3) This section is repealed effective January 1, ~~2007~~ 2011.