

# HOUSE BILL No. 5140

August 29, 2007, Introduced by Reps. Palmer, Knollenberg, Acciavatti, Sheen, Elsenheimer, LaJoy, David Law, Casperson, Opsommer, Emmons, Robertson, Hildenbrand, Marleau, Meltzer, Stahl, Pastor, Moolenaar, Walker, Stakoe, Rick Jones, Hune, Gaffney, Steil, Meekhof, Hoogendyk, Moss, Agema, Hansen and Horn and referred to the Committee on Tax Policy.

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
(MCL 205.51 to 205.78) by adding section 4ff.

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

1           SEC. 4FF. (1) SUBJECT TO SUBSECTION (2), A PERSON SUBJECT TO  
2 THE TAX UNDER THIS ACT MAY EXCLUDE FROM THE GROSS PROCEEDS USED FOR  
3 THE COMPUTATION OF THE TAX THE SALE OF ANY OF THE FOLLOWING ITEMS  
4 IF THE SALE IS MADE BETWEEN 12:01 A.M. ON THE FOURTH FRIDAY IN  
5 AUGUST AND 11:59 P.M. THE FOLLOWING SUNDAY EACH YEAR:

6           (A) CLOTHING IF THE SALES PRICE OF EACH INDIVIDUAL ITEM IS NOT  
7 GREATER THAN \$100.00.

8           (B) SCHOOL SUPPLIES IF THE SALES PRICE OF EACH INDIVIDUAL ITEM  
9 IS NOT GREATER THAN \$50.00.

10           (C) COMPUTER SOFTWARE IF THE SALES PRICE OF EACH INDIVIDUAL

1 ITEM IS NOT GREATER THAN \$350.00.

2 (D) COMPUTERS, INCLUDING ACCESSORIES, IF THE SALES PRICE OF  
3 EACH INDIVIDUAL ITEM IS NOT GREATER THAN \$3,500.00.

4 (2) THE EXEMPTION IN SUBSECTION (1) DOES NOT APPLY TO THE  
5 FOLLOWING:

6 (A) CLOTHING ACCESSORIES OR EQUIPMENT.

7 (B) SPORT OR RECREATIONAL EQUIPMENT.

8 (C) ANY ITEM SOLD FOR USE IN A TRADE OR BUSINESS.

9 (D) ELECTRONIC ENTERTAINMENT EQUIPMENT, INCLUDING, BUT NOT  
10 LIMITED TO, TELEVISION OR STEREO EQUIPMENT, A VIDEO CASSETTE  
11 RECORDER OR PLAYER, OR A DIGITAL VIDEO DISC RECORDER OR PLAYER.

12 (3) AS USED IN THIS SECTION:

13 (A) "CLOTHING" MEANS ALL HUMAN WEARING APPAREL SUITABLE FOR  
14 GENERAL USE, INCLUDING, BUT NOT LIMITED TO, COATS, JACKETS, HATS,  
15 HOSIERY, SCARVES, SHOES, OR CLOTH AND OTHER MATERIALS USED TO MAKE  
16 SCHOOL UNIFORMS.

17 (B) "CLOTHING ACCESSORIES OR EQUIPMENT" MEANS INCIDENTAL ITEMS  
18 WORN ON THE PERSON OR IN CONJUNCTION WITH CLOTHING, INCLUDING, BUT  
19 NOT LIMITED TO, JEWELRY, HANDBAGS, HANDKERCHIEFS, UMBRELLAS,  
20 SCARVES, TIES, WATCHBANDS, OR WATCHES.

21 (C) "SPORT OR RECREATIONAL EQUIPMENT" MEANS ITEMS DESIGNED FOR  
22 HUMAN USE AND WORN IN CONJUNCTION WITH AN ATHLETIC OR RECREATIONAL  
23 ACTIVITY THAT ARE NOT SUITABLE FOR GENERAL USE. SPORT OR  
24 RECREATIONAL EQUIPMENT INCLUDES, BUT IS NOT LIMITED TO, BALLET  
25 SHOES, CLEATED ATHLETIC SHOES, SHIN GUARDS, AND SKI BOOTS.