

HOUSE BILL No. 5544

October 27, 2009, Introduced by Rep. Schuitmaker and referred to the Committee on Tax Policy.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 4n (MCL 205.54n), as added by 1994 PA 111.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4n. (1) The sale for residential use of electricity,
2 natural or artificial gas, or home heating fuels is exempt from the
3 sales tax at the additional rate of 2% approved by the electors on
4 March 15, 1994. For purposes of applying the sales tax at the
5 additional rate of 2% to the sale of electricity, natural or
6 artificial gas, or steam, the taxpayer, with respect to all its
7 customers to which the additional rate of 2% applies, shall prorate
8 usage for a period that includes May 1, 1994 based on the number of
9 days occurring after April 30, 1994 if the taxpayer has 100,000 or
10 more customers in this state. If the taxpayer has less than 100,000

1 customers in this state, the taxpayer shall either prorate usage
2 for a period that includes May 1, 1994 based on the number of days
3 occurring after April 30, 1994, or shall apply the additional rate
4 of 2% beginning with the first bill that covers a usage period that
5 begins after April 30, 1994.

6 (2) BEGINNING JANUARY 1, 2010, THE SALE FOR RESIDENTIAL USE OF
7 HOME HEATING FUELS IS EXEMPT FROM THE TAX UNDER THIS ACT.