

HOUSE BILL No. 6221

May 27, 2010, Introduced by Rep. Meadows and referred to the Committee on Tax Policy.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 2 (MCL 205.52), as amended by 2004 PA 173.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) Except as provided in section 2a, there is levied
2 upon and there shall be collected from all persons engaged in the
3 business of making sales at retail, by which ownership of tangible
4 personal property is transferred for consideration, an annual tax
5 for the privilege of engaging in that business equal to 6% of the
6 gross proceeds of the business, plus the penalty and interest if
7 applicable as provided by law, less deductions allowed by this act.

8 (2) The tax under subsection (1) also applies to the
9 following:

1 (a) The transmission and distribution of electricity, whether
2 the electricity is purchased from the delivering utility or from
3 another provider, if the sale is made to the consumer or user of
4 the electricity for consumption or use rather than for resale.

5 (b) The sale of a prepaid telephone calling card or a prepaid
6 authorization number for telephone use, rather than for resale,
7 including the reauthorization of a prepaid telephone calling card
8 or a prepaid authorization number.

9 (c) A conditional sale, installment lease sale, or other
10 transfer of property, if title is retained as security for the
11 purchase but is intended to be transferred later.

12 (3) Any person engaged in the business of making sales at
13 retail who is at the same time engaged in some other kind of
14 business, occupation, or profession not taxable under this act
15 shall keep books to show separately the transactions used in
16 determining the tax levied ~~by~~ **UNDER** this act. If the person fails
17 to keep separate books, there shall be levied upon him or her the
18 tax provided for in subsection (1) equal to 6% of the entire gross
19 proceeds of both or all of his or her businesses. The taxes levied
20 by this section are a personal obligation of the taxpayer.

21 (4) ~~A~~ **BEFORE OCTOBER 1, 2010, A** meal provided free of charge
22 or at a reduced rate to an employee during work hours by a food
23 service establishment licensed ~~by the Michigan department of~~
24 ~~agriculture~~ **UNDER THE FOOD LAW OF 2000, 2000 PA 92, MCL 289.1101 TO**
25 **289.8111,** for the convenience of the employer is not considered
26 transferred for consideration.