

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4572

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 4EE. (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT
2 TO THE CONTRARY, FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2016, A
3 PERSON ENGAGED IN THE BUSINESS OF MAKING SALES AT RETAIL OF JET
4 FUEL EXCLUSIVELY FOR USE IN AIRCRAFT OPERATED BY OR FOR A SINGLE
5 QUALIFYING AIRLINE MAY CLAIM A REFUND OF THE TAX DUE AND REMITTED
6 TO THE DEPARTMENT UNDER THIS ACT FOR SALES AT RETAIL OF JET FUEL
7 EXCLUSIVELY FOR USE IN AIRCRAFT OPERATED BY OR FOR A SINGLE
8 QUALIFYING AIRLINE OCCURRING DURING CALENDAR YEAR 2014 AND CALENDAR
9 YEAR 2015. THE AMOUNT OF THE REFUND ALLOWABLE UNDER THIS SUBSECTION

1 SHALL BE CALCULATED AS FOLLOWS:

2 (A) FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2014, THE
3 AMOUNT OF THE REFUND SHALL BE CALCULATED AS FOLLOWS:

4 (i) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
5 DEPARTMENT IN EXCESS OF \$25,000,000.00 BUT LESS THAN \$36,000,000.00
6 BY 1.

7 (ii) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
8 DEPARTMENT IN EXCESS OF \$36,000,000.00 BY .3333, AND ADD THE RESULT
9 OF THAT CALCULATION TO THE PRODUCT OF THE CALCULATION PERFORMED IN
10 SUBPARAGRAPH (i).

11 (iii) MULTIPLY THE RESULT OF THE CALCULATION IN SUBPARAGRAPH (ii)
12 BY 0.25.

13 (B) FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2015, THE
14 AMOUNT OF THE REFUND SHALL BE CALCULATED AS FOLLOWS:

15 (i) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
16 DEPARTMENT IN EXCESS OF \$25,000,000.00 BUT LESS THAN \$36,000,000.00
17 BY 1.

18 (ii) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
19 DEPARTMENT IN EXCESS OF \$36,000,000.00 BY .3333, AND ADD THE RESULT
20 OF THAT CALCULATION TO THE PRODUCT OF THE CALCULATION PERFORMED IN
21 SUBPARAGRAPH (i).

22 (2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT TO THE
23 CONTRARY, FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2017 AND FOR
24 EACH CALENDAR YEAR THEREAFTER, A PERSON ENGAGED IN THE BUSINESS OF
25 MAKING SALES AT RETAIL OF JET FUEL EXCLUSIVELY FOR USE IN AIRCRAFT
26 OPERATED BY OR FOR A SINGLE QUALIFYING AIRLINE MAY CLAIM A REFUND
27 OF THE TAX DUE AND REMITTED TO THE DEPARTMENT UNDER THIS ACT FOR

1 SALES AT RETAIL OF JET FUEL EXCLUSIVELY FOR USE IN AIRCRAFT
2 OPERATED BY OR FOR A SINGLE QUALIFYING AIRLINE FOR THE IMMEDIATELY
3 PRECEDING CALENDAR YEAR. THE AMOUNT OF THE REFUND ALLOWABLE UNDER
4 THIS SUBSECTION SHALL BE CALCULATED AS FOLLOWS:

5 (A) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
6 DEPARTMENT IN EXCESS OF \$25,000,000.00 BUT LESS THAN \$36,000,000.00
7 BY 1.

8 (B) MULTIPLY THE AMOUNT OF TAX DUE AND REMITTED TO THE
9 DEPARTMENT IN EXCESS OF \$36,000,000.00 BY .3333, AND ADD THE RESULT
10 OF THAT CALCULATION TO THE PRODUCT OF THE CALCULATION PERFORMED IN
11 SUBPARAGRAPH (i).

12 (3) A REFUND CLAIM UNDER THIS SECTION SHALL BE MADE ON A FORM
13 PRESCRIBED BY THE DEPARTMENT AND SHALL BE SUBSTANTIATED BY ANY
14 INFORMATION THE DEPARTMENT REQUIRES. A PERSON IS NOT ENTITLED TO A
15 REFUND UNDER THIS SECTION FOR A CALENDAR YEAR UNLESS THE PERSON HAS
16 FILED WITH THE DEPARTMENT ALL OF THE RETURNS REQUIRED TO BE FILED
17 UNDER THIS ACT FOR THAT CALENDAR YEAR.

18 (4) AS USED IN THIS SECTION:

19 (A) "JET FUEL" MEANS FUEL THAT IS DESIGNED FOR USE IN THE
20 OPERATION OF JET OR TURBO-PROP AIRCRAFT AND THAT IS SOLD OR USED
21 FOR THAT PURPOSE.

22 (B) "QUALIFYING AIRLINE" MEANS AN ENTITY ENGAGED PRIMARILY IN
23 THE COMMERCIAL TRANSPORT FOR HIRE OF PASSENGERS AS A BUSINESS
24 ACTIVITY THAT MEETS ALL OF THE FOLLOWING CRITERIA:

25 (i) IS AUTHORIZED BY THE FEDERAL AVIATION ADMINISTRATION OR
26 OTHER APPROPRIATE AGENCY OF THE UNITED STATES TO OPERATE AS AN AIR
27 CARRIER UNDER AN AIR CARRIER OPERATING CERTIFICATE.

1 (ii) PROVIDES REGULARLY SCHEDULED FLIGHTS FOR THE
2 TRANSPORTATION OF PASSENGERS.

3 (iii) HAD AT LEAST 100,000 TOTAL DEPARTURES OF AIRCRAFT FROM
4 AIRPORTS IN THIS STATE DURING THE CALENDAR YEAR FOR WHICH A REFUND
5 UNDER THIS SECTION IS CLAIMED. AS USED IN THIS SUBPARAGRAPH,
6 "DEPARTURES OF AIRCRAFT" FOR AN AIR CARRIER INCLUDES DEPARTURES OF
7 AIRCRAFT OPERATED BY ANY OTHER AIR CARRIER, INCLUDING A REGIONAL
8 CARRIER OR CONTRACTED CONNECTION CARRIER, IF THE DEPARTURE WAS ON
9 BEHALF OF THAT AIR CARRIER.

10 Enacting section 1. This amendatory act does not take effect
11 unless House Bill No. 5477 of the 97th Legislature is enacted into
12 law.