

HOUSE BILL No. 4088

January 28, 2015, Introduced by Rep. Graves 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 AUGUST 1 AND 11:59 P.M.
5 ON AUGUST 31 EACH YEAR:

6 (A) CLOTHING IF THE SALES PRICE OF EACH INDIVIDUAL ITEM IS NOT
7 GREATER THAN \$75.00.

8 (B) SCHOOL SUPPLIES IF THE SALES PRICE OF EACH INDIVIDUAL ITEM
9 IS NOT GREATER THAN \$15.00.

10 (C) A PERSONAL COMPUTER PURCHASED FOR NONCOMMERCIAL HOME OR

1 PERSONAL USE, IF THE SALES PRICE, LESS ANY MANUFACTURER'S REBATE,
2 OF EACH INDIVIDUAL PERSONAL COMPUTER IS NOT GREATER THAN \$750.00.

3 (D) A PERSONAL COMPUTER ACCESSORY PURCHASED FOR NONCOMMERCIAL
4 HOME OR PERSONAL USE, IF THE SALES PRICE, LESS ANY MANUFACTURER'S
5 REBATE, OF EACH INDIVIDUAL PERSONAL COMPUTER ACCESSORY IS NOT
6 GREATER THAN \$750.00.

7 (2) THE EXEMPTION IN SUBSECTION (1) DOES NOT APPLY TO THE
8 FOLLOWING:

9 (A) CLOTHING ACCESSORIES OR EQUIPMENT.

10 (B) PROTECTIVE, SPORT, OR RECREATIONAL EQUIPMENT.

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

12 (D) FURNITURE.

13 (3) AS USED IN THIS SECTION:

14 (A) "CLOTHING" MEANS ANY ARTICLE OF WEARING APPAREL, INCLUDING
15 ALL FOOTWEAR, INTENDED TO BE WORN ON OR ABOUT THE HUMAN BODY.

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

20 (C) "MONITOR" DOES NOT INCLUDE A DEVICE THAT INCLUDES A
21 TELEVISION TUNER.

22 (D) "PERSONAL COMPUTER" MEANS AN ELECTRONIC DEVICE THAT
23 ACCEPTS INFORMATION IN DIGITAL OR SIMILAR FORM AND MANIPULATES THAT
24 INFORMATION FOR A RESULT BASED ON A SEQUENCE OF INSTRUCTIONS.
25 PERSONAL COMPUTER INCLUDES, BUT IS NOT LIMITED TO, AN ELECTRONIC
26 BOOK READER OR A LAPTOP, DESKTOP, HANDHELD, TABLET, OR TOWER
27 COMPUTER. PERSONAL COMPUTER DOES NOT INCLUDE A CELLULAR TELEPHONE,

1 VIDEO GAME CONSOLE, DIGITAL MEDIA RECEIVER, OR ANY OTHER DEVICE NOT
2 PRIMARILY DESIGNED TO PROCESS DATA.

3 (E) "PERSONAL COMPUTER ACCESSORY" INCLUDES A KEYBOARD, MOUSE,
4 PERSONAL DIGITAL ASSISTANT, MONITOR, PERIPHERAL DEVICE, MODEM,
5 ROUTER, AND NONRECREATIONAL SOFTWARE, REGARDLESS OF WHETHER THE
6 PERSONAL COMPUTER ACCESSORY IS USED IN ASSOCIATION WITH A PERSONAL
7 COMPUTER. PERSONAL COMPUTER ACCESSORY DOES NOT INCLUDE ANY SYSTEM,
8 DEVICE, SOFTWARE, OR PERIPHERAL DEVICE THAT IS DESIGNED OR INTENDED
9 PRIMARILY FOR RECREATIONAL USE.

10 (F) "PROTECTIVE, SPORT, OR RECREATIONAL EQUIPMENT" MEANS ITEMS
11 DESIGNED FOR HUMAN USE AND WORN IN CONJUNCTION WITH AN ATHLETIC OR
12 RECREATIONAL ACTIVITY AND THAT ARE NOT SUITABLE FOR GENERAL USE,
13 INCLUDING, BUT NOT LIMITED TO, SKIS, SWIM FINS, ROLLERBLADES, AND
14 SKATES.

15 (G) "SCHOOL SUPPLIES" MEANS PENS, PENCILS, ERASERS, CRAYONS,
16 NOTEBOOKS, NOTEBOOK FILLER PAPER, LEGAL PADS, BINDERS, LUNCH BOXES,
17 CONSTRUCTION PAPER, MARKERS, FOLDERS, POSTER BOARD, COMPOSITION
18 BOOKS, POSTER PAPER, SCISSORS, CELLOPHANE TAPE, GLUE, PASTE,
19 RULERS, COMPUTER DISKS, PROTRACTORS, COMPASSES, CALCULATORS, AND
20 SIMILAR ITEMS.