

GENERAL SALES TAX ACT (EXCERPT)
Act 167 of 1933

205.54j Sale of tangible personal property for use in qualified business activity of purchaser; definition.

Sec. 4j. (1) A sale of tangible personal property used in a qualified business activity of the purchaser is exempt from the tax under this act.

(2) As used in this section, "qualified business activity" means that term as defined in the enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.

History: Add. 1985, Act 225, Imd. Eff. Jan. 13, 1986;—Am. 1999, Act 116, Imd. Eff. July 14, 1999;—Am. 2004, Act 173, Eff. Sept. 1, 2004.

Compiler's note: Enacting section 2 of Act 116 of 1999 provides:

"Enacting section 2. This amendatory act clarifies that, with the exception of telecommunications equipment taxed under section 3a of the use tax act, 1937 PA 94, MCL 205.93a, a taxpayer may exclude a sale of tangible personal property from gross proceeds only to the extent that the property is used for exempt purposes. For telecommunications equipment exempt under section 4v of the general sales tax act, 1933 PA 167, MCL 205.54v, this amendatory act clarifies that for periods before April 1, 1999, the tax shall not be apportioned and for periods beginning April 1, 1999, the tax shall be apportioned. This amendatory act clarifies that existing law as originally intended provides a prorated exemption. This amendatory act takes effect for all periods beginning March 31, 1995 and all tax years that are open under the statute of limitations provided in section 27a of 1941 PA 122, MCL 205.27a."