

**USE TAX ACT (EXCERPT)**  
**Act 94 of 1937**

**205.94a Additional exemptions.**

Sec. 4a. The following are exempt from the tax under this act:

(a) Rental receipts if the tangible personal property rented or leased was previously subject to 1 of the following when purchased by the lessor:

(i) This act.

(ii) The general sales tax act, 1933 PA 167, MCL 205.51 to 205.78.

(b) Rental receipts if the tangible personal property rented or leased was previously taxed under a sales or use tax act of another state or a political subdivision of another state levied at a rate of 6% or more.

(c) Specific charges for technical support or for adapting or modifying prewritten computer software programs to a purchaser's needs or equipment if those charges are separately stated and identified.

(d) The sale of computer software originally designed for the exclusive use and special needs of the purchaser.

(e) The sale of a commercial advertising element if the commercial advertising element is used to create or develop a print, radio, television, or other advertisement, the commercial advertising element is discarded or returned to the provider after the advertising message is completed, and the commercial advertising element is custom developed by the provider for the purchaser. As used in this subdivision, "commercial advertising element" means a negative or positive photographic image, an audiotape or videotape master, a layout, a manuscript, writing of copy, a design, artwork, an illustration, retouching, and mechanical or keyline instructions. This exemption does not include black and white or full color process separation elements, an audiotape reproduction, or a videotape reproduction.

(f) The sale of oxygen for human use dispensed pursuant to a prescription.

(g) The sale of insulin for human use.

(h) A meal provided free of charge or at a reduced rate to an employee during work hours by a food service establishment licensed by the department of agriculture.

(i) The sale of diesel fuel to a person who is an interstate motor carrier for use in a qualified commercial motor vehicle.

**History:** Add. 1959, Act 272, Eff. Jan. 1, 1960;—Am. 2004, Act 172, Eff. Sept. 1, 2004.