

THE GENERAL PROPERTY TAX ACT (EXCERPT)
Act 206 of 1893

211.9b Special tool; exemption from taxation; definitions.

Sec. 9b. (1) A special tool is exempt from the collection of taxes under this act.

(2) The statement required under section 19 may provide for a separate line for providing the aggregate total original cost of excluded exempt special tools.

(3) As used in this section:

(a) "Product" means an item of tangible property that is directly created or produced through the manufacturing process. A product may be any of the following items:

(i) A part.

(ii) A special tool.

(iii) A component.

(iv) A sub-assembly.

(v) Completed goods that are available for sale or lease in wholesale or retail trade.

(b) "Special tool" means a finished or unfinished device such as a die, jig, fixture, mold, pattern, special gauge, or similar device, that is used, or is being prepared for use, to manufacture a product and that cannot be used to manufacture another product without substantial modification of the device. The length of the economic life of the product manufactured shall not be considered in making a determination whether a device used to manufacture that product is a special tool. Special tools do not include the following:

(i) A device that differs in character from dies, jigs, fixtures, molds, patterns, or special gauges.

(ii) Standard tools.

(iii) Machinery or equipment, even if customized, and even if used in conjunction with special tools.

(c) "Standard tool" means a die, jig, fixture, mold, pattern, gauge, or other tool that is not a special tool. Standard tool does not include machinery or equipment, even if customized, and even if used in conjunction with special tools or standard tools.

History: Add. 1964, Act 197, Eff. Jan. 1, 1965;—Am. 1994, Act 189, Imd. Eff. June 21, 1994;—Am. 2003, Act 274, Imd. Eff. Jan. 8, 2004;—Am. 2004, Act 4, Eff. Dec. 31, 2003.

Compiler's note: Enacting section 1 of Act 4 of 2004 provides:

"Enacting section 1. This amendatory act is retroactive and is effective December 31, 2003."

Popular name: Act 206

Administrative rules: R 209.1 et seq. of the Michigan Administrative Code.