



**House  
Legislative  
Analysis  
Section**

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**USE TAX EXEMPTION: DONATED  
AND RAFFLED VEHICLES**

**House Bill 4971**

**Sponsor: Rep. Joanne Voorhees**

**Committee: Tax Policy**

**Complete to 8-30-01**

**A SUMMARY OF HOUSE BILL 4971 AS INTRODUCED 6-19-01**

Under the Use Tax Act, generally speaking, property or services sold to nonprofit organizations are exempt from the tax. This does not apply, however, to sales of tangible personal property and motor vehicles that are not used primarily to carry out the purposes of the organization. House Bill 4971 would amend the act to allow an exemption for a motor vehicle donated to a nonprofit organization for the purpose of being raffled off in a fund-raising event for the benefit of the nonprofit organization.

MCL 205.94

House Bill 4971 (8-30-01)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.