

# HOUSE BILL No. 4589

April 17, 2001, Introduced by Reps. Cassis, Kuipers, DeVuyst, Switalski, Caul, Gosselin, Birkholz, Kooiman, Rocca, Drolet, Howell, Sanborn, Toy, Wojno, Gilbert and Richner 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 4bb.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 4BB. (1) A PERSON SUBJECT TO THE TAX UNDER THIS ACT  
2 MAY EXCLUDE FROM THE GROSS PROCEEDS USED FOR THE COMPUTATION OF  
3 THE TAX THE SALE OF AN ARTICLE OF CLOTHING OR FOOTWEAR, TO BE  
4 WORN ON AN INDIVIDUAL, WITH A PURCHASE PRICE OF \$150.00 OR LESS  
5 IF THE SALE IS MADE DURING THE PERIOD OF 7 DAYS BEFORE LABOR DAY  
6 AND 7 DAYS AFTER LABOR DAY.

7 (2) THE EXEMPTION PROVIDED FOR IN SUBSECTION (1) DOES NOT  
8 APPLY TO JEWELRY OR TO ACCESSORIES, OTHER THAN BELTS, NECKWEAR,  
9 AND HEAD SCARVES.

10 (3) ON DECEMBER 31 OF EACH YEAR, THE STATE TREASURER SHALL  
11 ESTIMATE THE AMOUNT OF SALES TAX THAT WAS NOT COLLECTED BECAUSE

1 OF THIS EXEMPTION, SHALL TRANSFER FROM THE GENERAL FUND TO THE  
2 STATE SCHOOL AID FUND THAT AMOUNT THAT WOULD HAVE OTHERWISE GONE  
3 TO THE STATE SCHOOL AID FUND, AND SHALL DESIGNATE THAT AMOUNT  
4 THAT WOULD OTHERWISE GO TO REVENUE SHARING FOR LOCAL GOVERNMENTAL  
5 UNITS.

6 (4) THE DEPARTMENT SHALL POST INFORMATION ON THE STATE WEB-  
7 SITE ON THE INTERNET REGARDING THIS EXEMPTION.