

# HOUSE BILL No. 6406

September 24, 2002, Introduced by Reps. Daniels and Kolb 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 4h.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 4H. (1) A PERSON SUBJECT TO THE TAX UNDER THIS ACT MAY  
2 EXCLUDE FROM THE GROSS PROCEEDS USED FOR THE COMPUTATION OF THE  
3 TAX ANY SALES OF TANGIBLE PROPERTY FOR A SOLAR, WIND, OR WATER  
4 ENERGY CONVERSION DEVICE USED TO SUPPLY CONVERTED SOLAR, WIND, OR  
5 WATER ENERGY FOR HEATING, COOLING, OR ELECTRIFYING AN EXISTING OR  
6 NEW RESIDENTIAL OR COMMERCIAL BUILDING.

7 (2) AS USED IN THIS SECTION:

8 (A) "SOLAR, WIND, OR WATER ENERGY CONVERSION DEVICE" MEANS A  
9 MECHANISM OR SERIES OF MECHANISMS DESIGNED PRIMARILY TO COLLECT,  
10 CONVERT, TRANSFER, OR STORE FOR FUTURE USE SOLAR, WIND, OR WATER  
11 ENERGY FOR THE PURPOSES OF HEATING, COOLING, OR ELECTRIC SUPPLY

1 BUT NOT THOSE PARTS OF A HEATING, COOLING, OR ELECTRIC SUPPLY  
2 SYSTEM THAT WOULD BE REQUIRED REGARDLESS OF THE ENERGY SOURCE  
3 BEING UTILIZED.

4 (B) "WATER ENERGY CONVERSION DEVICE" INCLUDES ONLY THOSE  
5 DEVICES THAT UTILIZE THE TEMPERATURE DIFFERENCES BETWEEN LOW AND  
6 HIGH WATER LEVELS.

7 (3) FOR THE PURPOSES OF THIS SECTION, "COMMERCIAL BUILDING"  
8 EXCLUDES ANY BUILDING OWNED BY A CORPORATION THAT HAS AS ANY PART  
9 OF ITS BUSINESS THE DESIGNING OR BUILDING OF SOLAR, WIND, OR  
10 WATER ENERGY CONVERSION DEVICES FOR RESALE.