

# SENATE BILL No. 692

August 22, 2007, Introduced by Senators PAPPAGEORGE, HUNTER, KAHN, JACOBS, OLSHOVE, McMANUS, JANSEN, BIRKHOLZ, RICHARDVILLE and HARDIMAN and referred to the Committee on Finance.

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
(MCL 205.51 to 205.78) by adding section 4dd.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           SEC. 4DD. (1) A PERSON SUBJECT TO THE TAX UNDER THIS ACT MAY  
2 EXCLUDE FROM THE GROSS PROCEEDS USED FOR THE COMPUTATION OF THE TAX  
3 THE SALE OF ANY OF THE FOLLOWING IF THE SALE IS MADE IN THE FIRST  
4 15 CALENDAR DAYS OF SEPTEMBER EACH YEAR:

5           (A) CLOTHING OR FOOTWEAR TO BE WORN BY AN INDIVIDUAL, BUT NOT  
6 MORE THAN \$150.00 OF THE AGGREGATE SALES PRICE OF ALL ITEMS FOR AN  
7 INDIVIDUAL PURCHASER.

8           (B) SCHOOL SUPPLIES, BUT NOT MORE THAN \$50.00 OF THE AGGREGATE  
9 SALES PRICE OF ALL ITEMS FOR AN INDIVIDUAL PURCHASER.

10           (2) THE EXEMPTION PROVIDED FOR IN SUBSECTION (1) (A) DOES NOT

1 APPLY TO JEWELRY OR TO ACCESSORIES, OTHER THAN BELTS, NECKWEAR, AND  
2 HEAD SCARVES.

3 (3) THE DEPARTMENT OF TREASURY SHALL DETERMINE SCHOOL SUPPLIES  
4 ELIGIBLE FOR THE EXEMPTION PROVIDED FOR IN SUBSECTION (1)(B).

5 (4) EACH YEAR THE STATE TREASURER SHALL ESTIMATE THE AMOUNT OF  
6 SALES TAX THAT WAS NOT COLLECTED BECAUSE OF THIS EXEMPTION, AND  
7 THAT AMOUNT SHALL BE TRANSFERRED FROM THE GENERAL FUND TO THE STATE  
8 SCHOOL AID FUND.