



SENATE BILL No. 1136

September 12, 1996, Introduced by Senator KOIVISTO and referred to the Committee on Finance.

A bill to amend Act No. 167 of the Public Acts of 1933, entitled as amended "General sales tax act," as amended, being sections 205.51 to 205.78 of the Michigan Compiled Laws, by adding section 4p.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 167 of the Public Acts of 1933, as
2 amended, being sections 205.51 to 205.78 of the Michigan Compiled
3 Laws, is amended by adding section 4p to read as follows:

4 SEC. 4P. (1) A PERSON SUBJECT TO TAX UNDER THIS ACT MAY
5 EXCLUDE FROM THE GROSS PROCEEDS USED FOR THE COMPUTATION OF THIS
6 TAX SALES TO A DOMESTIC AIR CARRIER OF AN AIRCRAFT, OR PARTS AND
7 MATERIALS, EXCLUDING SHOP EQUIPMENT OR FUEL, AFFIXED IN THIS
8 STATE TO AN AIRCRAFT, THAT IS 1 OF THE FOLLOWING:

1 (A) AN AIRCRAFT PURCHASED SOLELY FOR USE IN THE TRANSPORT OF
2 AIR CARGO.

3 (B) AN AIRCRAFT PURCHASED SOLELY FOR USE IN THE REGULARLY
4 SCHEDULED TRANSPORT OF PASSENGERS.

5 (2) AS USED IN THIS SECTION, "DOMESTIC AIR CARRIER" IS
6 LIMITED TO ENTITIES ENGAGED IN THE COMMERCIAL TRANSPORT FOR HIRE
7 OF CARGO OR ENTITIES ENGAGED IN THE COMMERCIAL TRANSPORT OF PAS-
8 SENGERS AS A BUSINESS ACTIVITY.

9 (3) THIS SECTION DOES NOT APPLY AFTER DECEMBER 31, 2001.