

# SENATE BILL NO. 1149

September 29, 2020, Introduced by Senators MACGREGOR, NESBITT, OUTMAN, VANDERWALL and SCHMIDT and referred to the Committee on Economic and Small Business Development.

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

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

1           **Sec. 4gg. (1) Beginning January 1, 2021, the sale of a fully**  
2 **automated consumer goods handling system or system parts to a**  
3 **wholesaler for fulfillment of orders to persons engaged in the**  
4 **business of making sales at retail of consumer goods is exempt from**  
5 **the tax under this act.**

1 (2) As used in this section:

2 (a) "Consumer goods" means finished goods for use primarily  
3 for personal, family, or household purposes.

4 (b) "Fully automated consumer goods handling system" means a  
5 fully automated, integrated goods handling system that separates,  
6 sorts, temporarily stores, recombines, and assembles palletized  
7 units of consumer goods and that occupies not less than 190,000  
8 square feet of space in a facility owned, leased, or used by a  
9 wholesaler.

10 (c) "System parts" means supply chain optimization machinery,  
11 equipment, repair parts, and computer software that are component  
12 parts of a fully automated consumer goods handling system.

13 (d) "Wholesaler" means a person that purchases consumer goods  
14 from a manufacturer, producer, or other supplier and sells those  
15 consumer goods to another person for sale at retail.