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**SALES AND USE TAX EXEMPTIONS:
ALL PRESCRIBED CONTACT LENSES**

House Bill 5301
Sponsor: Rep. Michael Kowall

House Bill 5434
Sponsor: Rep. Gerald Law

Committee: Tax Policy

Complete to 4-11-00

**A SUMMARY OF HOUSE BILL 5301 AS INTRODUCED 2-8-00 AND HOUSE BILL 5434
AS INTRODUCED 2-22-00**

Under both the General Sales Tax Act and the Use Tax Act eyeglasses are exempt from taxation if prescribed or dispensed to correct a person's vision by an ophthalmologist, optometrist, or optician. Contact lenses are exempt only if prescribed for a specific disease that precludes the use of eyeglasses. The bills would remove the qualifying language and provide sales and use tax exemptions for all contact lenses purchased on a written prescription.

MCL 205.54a

House Bills 5301 and 5434 (4-11-00)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.