



Senate Fiscal Agency  
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**BILL ANALYSIS**

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Senate Bill 143 (as introduced 2-4-03)  
Sponsor: Senator Patricia L. Birkholz  
Committee: Finance

Date Completed: 5-19-04

**CONTENT**

The bill would amend the Use Tax Act to provide that the use tax would not apply to the transfer of a motor vehicle, without consideration, from an organization exempt from Federal taxation under Section 501(c)(3) of the Internal Revenue Code, to an individual if he or she met the eligibility requirements determined by the organization. The exemption would not apply to a transfer made to a for-profit entity.

Proposed MCL 205.94w

Legislative Analyst: J.P. Finet

**FISCAL IMPACT**

This bill would reduce use tax revenue an estimated \$1.5 million on a full-year basis. This loss in use tax revenue would reduce General Fund/General Purpose revenue by \$1.0 million and School Aid Fund revenue by \$0.5 million. This bill would not have any direct impact on local governments.

Fiscal Analyst: Jay Wortley

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.