

SUBSTITUTE FOR
HOUSE BILL NO. 6010

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) SUBJECT TO SUBSECTION (2), A PERSON SUBJECT TO
2 THE TAX UNDER THIS ACT MAY EXCLUDE FROM THE GROSS PROCEEDS USED FOR
3 THE COMPUTATION OF THE TAX THE SALE OF TANGIBLE PERSONAL PROPERTY
4 TO A QUALIFIED TAXPAYER FOR USE AT A PRODUCING MINE OR AT A
5 FACILITY WHERE BENEFICIATION OF MINERALS OCCUR.

6 (2) THE PROPERTY UNDER SUBSECTION (1) IS EXEMPT ONLY TO THE
7 EXTENT THAT THE PROPERTY IS USED FOR THE EXEMPT PURPOSES STATED IN
8 THIS SECTION. THE EXEMPTION IS LIMITED TO THE PERCENTAGE OF EXEMPT
9 USE TO TOTAL USE DETERMINED BY A REASONABLE FORMULA OR METHOD
10 APPROVED BY THE DEPARTMENT.

1 (3) AS USED IN THIS SECTION:

2 (A) "BENEFICIATION", "MINERAL", "PRODUCING MINE", AND
3 "TAXPAYER" MEAN THOSE TERMS AS DEFINED IN SECTION 2 OF THE
4 NONFERROUS METALLIC MINERALS EXTRACTION SEVERANCE TAX ACT.

5 (B) "QUALIFIED TAXPAYER" MEANS A TAXPAYER THAT PURCHASES
6 TANGIBLE PERSONAL PROPERTY FOR USE AT A PRODUCING MINE OR AT A
7 FACILITY WHERE BENEFICIATION OF MINERALS OCCUR.

8 Enacting section 1. This amendatory act does not take effect
9 unless House Bill No. 6008 of the 96th Legislature is enacted into
10 law.