

SUBSTITUTE FOR  
HOUSE BILL NO. 6011

A bill to amend 1937 PA 94, entitled  
"Use tax act,"  
(MCL 205.91 to 205.111) by adding section 4aa.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           SEC. 4AA. (1) SUBJECT TO SUBSECTION (2), THE TAX UNDER THIS  
2 ACT DOES NOT APPLY TO THE STORAGE, USE, OR CONSUMPTION OF TANGIBLE  
3 PERSONAL PROPERTY SOLD TO A QUALIFIED TAXPAYER FOR USE AT A  
4 PRODUCING MINE OR AT A FACILITY WHERE BENEFICIATION OF MINERALS  
5 OCCURS.

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.

11           (3) AS USED IN THIS SECTION:

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

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

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