

**SUBSTITUTE FOR
SENATE BILL NO. 1179**

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 9p.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 9p. (1) Beginning in tax year 2020, personal property**
2 **comprising an in-store consumer goods micro-fulfillment system is**
3 **exempt from the collection of taxes under this act.**

4 **(2) As used in this section:**

5 **(a) "In-store consumer goods micro-fulfillment system" means**
6 **equipment, including, but not limited to, computers, software,**
7 **storage systems, refrigerators, and freezers, used by a retailer**
8 **exclusively for the fulfillment of online orders of consumer goods**
9 **for delivery to the consumer or pick up by the consumer where the**



1 equipment is located in a building in which at least half of the
2 building's square footage is used as an operating retail store that
3 is owned, leased, or used by a retailer.

4 (b) "Fulfillment of online orders" means the processing of
5 consumer orders made over the internet and includes the selection,
6 assembly, storing, and staging of the consumer goods ordered.

7 (c) "Consumer goods" means finished goods for use primarily
8 for personal, family, or household purposes.