

**SUBSTITUTE FOR  
SENATE BILL NO. 1004**

A bill to amend 1998 PA 58, entitled  
"Michigan liquor control code of 1998,"  
(MCL 436.1101 to 436.2303) by adding section 1016.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           **Sec. 1016. Notwithstanding section 609(1) and R 436.1041 of**  
2 **the Michigan Administrative Code, a licensee may donate a portion**  
3 **of the profits generated from the licensee's license to an**  
4 **organization that is not a licensee and that is exempt from**  
5 **taxation under section 501(c)(3) of the internal revenue code of**  
6 **1986, 26 USC 501, if the licensee records its profits on its**  
7 **financial records before making the donation allowed under this**  
8 **section. Notwithstanding section 609(1), if the organization**  
9 **receiving the donation has been issued a special license, the**

- 1 organization must not use the donation to pay for any portion of
- 2 the event for which the special license was issued.