



HOUSE BILL No. 5506

January 16, 1996, Introduced by Reps. Profit and Bullard and referred to the Committee on Tax Policy.

A bill to amend section 4k of Act No. 94 of the Public Acts of 1937, entitled as amended

"Use tax act,"

as amended by Act No. 11 of the Public Acts of 1995, being section 205.94k of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 4k of Act No. 94 of the Public Acts of
2 1937, as amended by Act No. 11 of the Public Acts of 1995, being
3 section 205.94k of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 4k. (1) The tax levied under this act does not apply
6 to parts and materials, excluding shop equipment or fuel, affixed
7 to or to be affixed in this state to an aircraft owned or used by
8 a domestic air carrier that is any of the following:

1 (a) An aircraft purchased after December 31, 1992 for use
2 solely in the transport of air cargo that has a maximum
3 certificated takeoff weight of at least 12,500 pounds.

4 (b) An aircraft purchased after June 30, 1994 that is used
5 solely in the regularly scheduled transport of passengers.

6 (c) An aircraft other than an aircraft described in subdivi-
7 sion (b), purchased after December 31, 1994 that has a maximum
8 certificated takeoff weight of at least 12,500 pounds and that is
9 designed to have a maximum passenger seating configuration of
10 more than 30 seats and used solely in the transport of
11 passengers.

12 (2) For purposes of this section, "domestic air carrier" is
13 limited to entities engaged in the commercial transport for hire
14 of cargo or entities engaged in the commercial transport of pas-
15 sengers as a business activity.

16 ~~(3) This section does not apply after December 31, 1996.~~