

HOUSE BILL No. 6051

September 16, 1998, Introduced by Rep. Profit and referred to the Committee on Tax Policy.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
(MCL 205.51 to 205.78) by adding section 4r.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 SEC. 4R. (1) A PERSON SUBJECT TO TAX UNDER THIS ACT MAY
2 EXCLUDE THE FOLLOWING FROM GROSS PROCEEDS USED FOR THE COMPUTA-
3 TION OF THE TAX:
- 4 (A) THE AMOUNT OF GROSS PROCEEDS FROM THE SALE OF AN
5 ALTERNATIVE-FUELED VEHICLE, INCLUDING AN ALTERNATIVE-FUELED VEHI-
6 CLE PURCHASED FOR LEASE TO ANOTHER PERSON, EQUAL TO THE DIFFER-
7 ENCE BETWEEN THE COST OF THE ALTERNATIVE-FUELED VEHICLE AND THE
8 COST THAT SAME MOTOR VEHICLE WOULD HAVE HAD WITH A TRADITIONAL
9 FUEL SOURCE.
- 10 (B) THE SALE OF EQUIPMENT USED TO CONVERT A MOTOR VEHICLE TO
11 AN ALTERNATIVE-FUELED VEHICLE.

1 (2) AS USED IN THIS SECTION:

2 (A) "ALTERNATIVE FUEL" MEANS METHANOL, DENATURED ETHANOL,
3 AND OTHER ALCOHOLS; MIXTURES CONTAINING 50% OR MORE BY VOLUME OF
4 METHANOL, DENATURED ETHANOL, AND OTHER ALCOHOL, WITH GASOLINE OR
5 OTHER FUELS; NATURAL GAS; LIQUEFIED PETROLEUM GAS; HYDROGEN;
6 COAL-DERIVED LIQUID FUELS; AND ELECTRICITY.

7 (B) "ALTERNATIVE-FUELED VEHICLE" MEANS A MOTOR VEHICLE THAT
8 USES AN ALTERNATIVE FUEL AS THE SOLE SOURCE OF PROPULSION OR A
9 DUAL-FUELED VEHICLE.

10 (C) "DUAL-FUELED VEHICLE" MEANS A MOTOR VEHICLE THAT HAS THE
11 CAPACITY TO BE PROPELLED BY EITHER CONVENTIONAL FUEL OR ALTERNA-
12 TIVE FUEL.

13 (D) "MOTOR VEHICLE" MEANS THAT TERM AS DEFINED IN SECTION 33
14 OF THE MICHIGAN VEHICLE CODE, 1949 PA 300, MCL 257.33.