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TV AND RADIO EQUIPMENT

House Bill 5089 and 5090

Sponsor: Rep. Ruth Jamnick

Committee: Tax Policy

Complete to 4-12-00

A SUMMARY OF HOUSE BILLS 5089 AND 5090 AS INTRODUCED 11-2-99

The bills would rewrite and expand the sales and use tax exemptions for purchases made by radio and television stations. They would provide sales and use tax exemptions for property purchased by radio and television stations licensed by the Federal Communications Commission (FCC) if the property was used directly and primarily for the origination or integration of the various sources of program material for broadcast or was used for the production and broadcast of a broadcast signal. Such property would include, but not be limited to, property required by the FCC, property used in the transmission to or reception from an artificial satellite, and electricity, but would not include a vehicle licensed and titled for use on public highways. House Bill 5089 would amend the General Sales Tax Act (MCL 205.54a) and House Bill 5090 would amend the Use Tax Act (MCL 205.94).

Currently, the acts contain exemptions for commercial radio and television stations that apply to property "used in the origination or integration of the various sources of program material," but the acts specifically exclude from exemption property used in transmitting to or receiving from an artificial satellite, as well as vehicles licensed and titled for use on a public highway.

House Bills 5089 and 5090 (4-12-00)

Analyst: C. Couch

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