

SUBSTITUTE FOR
HOUSE BILL NO. 5959

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4bb. (1) A person who is a motion picture production
2 company may claim a credit equal to the amount of tax that the
3 person paid to reimburse a taxpayer as provided in section 23 for
4 sales tax paid on a sale at retail to that person if all of the
5 following apply:

6 (a) The motion picture production company has spent
7 \$250,000.00 or more in this state for purposes related to the
8 filming or production of a single motion picture.

9 (b) The tangible personal property purchased by the motion
10 picture production company is used exclusively as an integral
11 part of the production activities in this state.

House Bill No. 5959 (H-3) as amended June 24, 2004

1 (2) As used in this section:

2 (a) "Motion picture" means a feature-length film distributed
3 in 2 or more states that is a production for which records are
4 not required to be maintained with respect to any performer in
5 the production under 18 USC 2257, [or] television series[
6] made in this state, in whole or in part, for
7 theatrical or television viewing or as a television pilot.
8 Motion picture does not include the production of television
9 coverage of news or sporting events.

10 (b) "Motion picture production company" means a company in
11 the business of producing motion pictures. However, motion
12 picture production company does not include a company owned,
13 affiliated, or controlled, in whole or in part, by a company or
14 individual that is in default on a loan made by the state or a
15 loan guaranteed by the state.

16 (3) This section applies only to a motion picture production
17 company that begins production of a motion picture after the
18 effective date of this section. This section does not apply to
19 the sale of tangible personal property after December 31, 2006.