

Act No. 301  
Public Acts of 2004  
Approved by the Governor  
July 23, 2004  
Filed with the Secretary of State  
July 23, 2004  
EFFECTIVE DATE: July 23, 2004

**STATE OF MICHIGAN  
92ND LEGISLATURE  
REGULAR SESSION OF 2004**

Introduced by Reps. Nofs and Wenke

# **ENROLLED HOUSE BILL No. 5653**

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," (MCL 205.51 to 205.78) by adding section 4bb.

*The People of the State of Michigan enact:*

Sec. 4bb. (1) Beginning January 1, 2005, a qualified organization subject to the tax under this act may exclude from the gross proceeds used for the computation of the tax the sale of an eligible automobile to a qualified recipient.

(2) As used in this section:

(a) "Eligible automobile" means an automobile that meets all of the following requirements:

(i) The automobile has been inspected by a mechanic certified under the motor vehicle service and repair act, 1974 PA 300, MCL 257.1301 to 257.1340.

(ii) The automobile is insured as required under state law.

(iii) The automobile is registered to a qualified recipient.

(b) "Qualified organization" means an organization that applies for certification not later than July 1 of the year in which an exemption is claimed under this section and is certified by the department of treasury as meeting all of the following requirements:

(i) The organization is exempt from taxation under section 501(c)(3) of the internal revenue code, 26 USC 501.

(ii) The organization is licensed under the charitable organizations and solicitations act, 1975 PA 169, MCL 400.271 to 400.294.

(iii) The organization administers a program to provide a qualified recipient with an eligible automobile for transportation to his or her place of employment or for employment-related activities.

(c) "Qualified recipient" means a person certified by a qualified organization as meeting all of the following qualifications:

(i) The qualified recipient receives or, if he or she applied, would be eligible to receive public assistance through a program created and administered under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(ii) The qualified recipient has a valid Michigan operator's or chauffeur's license.

(iii) The qualified recipient is financially capable of meeting any loan payment, insurance payment, or other expenditure associated with the eligible vehicle.

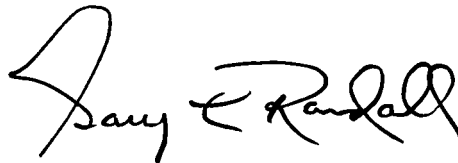
(iv) Public transportation is not reasonably available to the qualified recipient, the qualified recipient has no other reliable means by which to commute to his or her place of employment, and the qualified recipient will use the eligible vehicle as his or her primary means of transportation to commute to and from his or her place of employment.

(v) The qualified recipient has a demonstrated ability to maintain employment.

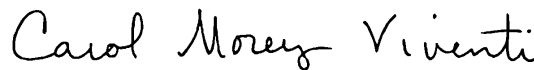
(vi) If the qualified recipient is currently employed for not less than an average of 20 hours per week, the qualified recipient requires an automobile to retain his or her current employment or to accept a verified offer of employment in a position that is demonstrably superior to his or her current position of employment.

(vii) If the qualified recipient is not currently employed or is employed for less than an average of 20 hours per week, the qualified recipient requires an automobile to accept a verified offer of employment of not less than an average of 20 hours per week and cannot begin employment in that position without an automobile.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor