

SENATE BILL No. 16

January 19, 2011, Introduced by Senator JANSEN and referred to the Committee on Finance.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
by amending sections 111 and 113 (MCL 208.1111 and 208.1113),
section 111 as amended by 2010 PA 133 and section 113 as amended by
2008 PA 472.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 111. (1) "Gross receipts" means the entire amount
2 received by the taxpayer as determined by using the taxpayer's
3 method of accounting used for federal income tax purposes, less any
4 amount deducted as bad debt for federal income tax purposes that
5 corresponds to items of gross receipts included in the modified
6 gross receipts tax base for the current tax year or a past tax year
7 phased in over a 5-year period starting with 50% of that amount in

1 the 2008 tax year, 60% in the 2009 tax year, 60% in the 2010 tax
2 year, 75% in the 2011 tax year, and 100% in the 2012 tax year and
3 each tax year thereafter, from any activity whether in intrastate,
4 interstate, or foreign commerce carried on for direct or indirect
5 gain, benefit, or advantage to the taxpayer or to others except for
6 the following:

7 (a) Proceeds from sales by a principal that the taxpayer
8 collects in an agency capacity solely on behalf of the principal
9 and delivers to the principal.

10 (b) Amounts received by the taxpayer as an agent solely on
11 behalf of the principal that are expended by the taxpayer for any
12 of the following:

13 (i) The performance of a service by a third party for the
14 benefit of the principal that is required by law to be performed by
15 a licensed person.

16 (ii) The performance of a service by a third party for the
17 benefit of the principal that the taxpayer has not undertaken a
18 contractual duty to perform.

19 (iii) Principal and interest under a mortgage loan or land
20 contract, lease or rental payments, or taxes, utilities, or
21 insurance premiums relating to real or personal property owned or
22 leased by the principal.

23 (iv) A capital asset of a type that is, or under the internal
24 revenue code will become, eligible for depreciation, amortization,
25 or accelerated cost recovery by the principal for federal income
26 tax purposes, or for real property owned or leased by the
27 principal.

1 (v) Property not described under subparagraph (iv) that is
2 purchased by the taxpayer on behalf of the principal and that the
3 taxpayer does not take title to or use in the course of performing
4 its contractual business activities.

5 (vi) Fees, taxes, assessments, levies, fines, penalties, or
6 other payments established by law that are paid to a governmental
7 entity and that are the legal obligation of the principal.

8 (c) Amounts that are excluded from gross income of a foreign
9 corporation engaged in the international operation of aircraft
10 under section 883(a) of the internal revenue code.

11 (d) Amounts received by an advertising agency used to acquire
12 advertising media time, space, production, or talent on behalf of
13 another person.

14 (e) Amounts received by a newspaper to acquire advertising
15 space not owned by that newspaper in another newspaper on behalf of
16 another person. This subdivision does not apply to any
17 consideration received by the taxpayer for acquiring that
18 advertising space.

19 (f) Notwithstanding any other provision of this section,
20 amounts received by a taxpayer that manages real property owned by
21 a third party that are deposited into a separate account kept in
22 the name of that third party and that are not reimbursements to the
23 taxpayer and are not indirect payments for management services that
24 the taxpayer provides to that third party.

25 (g) Proceeds from the taxpayer's transfer of an account
26 receivable if the sale that generated the account receivable was
27 included in gross receipts for federal income tax purposes. This

1 subdivision does not apply to a taxpayer that during the tax year
2 both buys and sells any receivables.

3 (h) Proceeds from any of the following:

4 (i) The original issue of stock or equity instruments or equity
5 issued by a regulated investment company as that term is defined
6 under section 851 of the internal revenue code.

7 (ii) The original issue of debt instruments.

8 (i) Refunds from returned merchandise.

9 (j) Cash and in-kind discounts.

10 (k) Trade discounts.

11 (l) Federal, state, or local tax refunds.

12 (m) Security deposits.

13 (n) Payment of the principal portion of loans.

14 (o) Value of property received in a like-kind exchange.

15 (p) Proceeds from a sale, transaction, exchange, involuntary
16 conversion, maturity, redemption, repurchase, recapitalization, or
17 other disposition or reorganization of tangible, intangible, or
18 real property, less any gain from the disposition or reorganization
19 to the extent that the gain is included in the taxpayer's federal
20 taxable income, if the property satisfies 1 or more of the
21 following:

22 (i) The property is a capital asset as defined in section
23 1221(a) of the internal revenue code.

24 (ii) The property is land that qualifies as property used in
25 the trade or business as defined in section 1231(b) of the internal
26 revenue code.

27 (iii) The property is used in a hedging transaction entered into

1 by the taxpayer in the normal course of the taxpayer's trade or
2 business primarily to manage the risk of exposure to foreign
3 currency fluctuations that affect assets, liabilities, profits,
4 losses, equity, or investments in foreign operations; interest rate
5 fluctuations; or commodity price fluctuations. For purposes of this
6 subparagraph, the actual transfer of title of real or tangible
7 personal property to another person is not a hedging transaction.
8 Only the overall net gain from the hedging transactions entered
9 into during the tax year is included in gross receipts. As used in
10 this subparagraph, "hedging transaction" means that term as defined
11 under section 1221 of the internal revenue code regardless of
12 whether the transaction was identified by the taxpayer as a hedge
13 for federal income tax purposes, provided, however, that
14 transactions excluded under this subparagraph and not identified as
15 a hedge for federal income tax purposes shall be identifiable to
16 the department by the taxpayer as a hedge in its books and records.

17 (iv) The property is investment and trading assets managed as
18 part of the person's treasury function. For purposes of this
19 subparagraph, a person principally engaged in the trade or business
20 of purchasing and selling investment and trading assets is not
21 performing a treasury function. Only the overall net gain from the
22 treasury function incurred during the tax year is included in gross
23 receipts. As used in this subparagraph, "treasury function" means
24 the pooling and management of investment and trading assets for the
25 purpose of satisfying the cash flow or liquidity needs of the
26 taxpayer's trade or business.

27 (q) The proceeds from a policy of insurance, a settlement of a

1 claim, or a judgment in a civil action less any proceeds under this
2 subdivision that are included in federal taxable income.

3 (r) For a sales finance company, as defined in section 2 of
4 the motor vehicle sales finance act, 1950 (Ex Sess) PA 27, MCL
5 492.102, and directly or indirectly owned in whole or in part by a
6 motor vehicle manufacturer as of January 1, 2008, and for a person
7 that is a broker or dealer as defined under section 78c(a)(4) or
8 (5) of the securities exchange act of 1934, 15 USC 78c, or a person
9 included in the unitary business group of that broker or dealer
10 that buys and sells for its own account, contracts that are subject
11 to the commodity exchange act, 7 USC 1 to 27f, amounts realized
12 from the repayment, maturity, sale, or redemption of the principal
13 of a loan, bond, or mutual fund, certificate of deposit, or similar
14 marketable instrument provided such instruments are not held as
15 inventory.

16 (s) For a sales finance company, as defined in section 2 of
17 the motor vehicle sales finance act, 1950 (Ex Sess) PA 27, MCL
18 492.102, and directly or indirectly owned in whole or in part by a
19 motor vehicle manufacturer as of January 1, 2008, and for a person
20 that is a broker or dealer as defined under section 78c(a)(4) or
21 (5) of the securities exchange act of 1934, 15 USC 78c, or a person
22 included in the unitary business group of that broker or dealer
23 that buys and sells for its own account, contracts that are subject
24 to the commodity exchange act, 7 USC 1 to 27f, the principal amount
25 received under a repurchase agreement or other transaction properly
26 characterized as a loan.

27 (t) For a mortgage company, proceeds representing the

1 principal balance of loans transferred or sold in the tax year. For
2 purposes of this subdivision, "mortgage company" means a person
3 that is licensed under the mortgage brokers, lenders, and servicers
4 licensing act, 1987 PA 173, MCL 445.1651 to 445.1684, or the
5 secondary mortgage loan act, 1981 PA 125, MCL 493.51 to 493.81, and
6 has greater than 90% of its revenues, in the ordinary course of
7 business, from the origination, sale, or servicing of residential
8 mortgage loans.

9 (u) For a professional employer organization, any amount
10 charged by a professional employer organization that represents the
11 actual cost of wages and salaries, benefits, worker's compensation,
12 payroll taxes, withholding, or other assessments paid to or on
13 behalf of a covered employee by the professional employer
14 organization under a professional employer arrangement.

15 (v) Any invoiced items used to provide more favorable floor
16 plan assistance to a person subject to the tax imposed under this
17 act than to a person not subject to this tax and paid by a
18 manufacturer, distributor, or supplier.

19 (w) For an individual, estate, or other person organized for
20 estate or gift planning purposes, amounts received other than those
21 from transactions, activities, and sources in the regular course of
22 the taxpayer's trade or business. For purposes of this subdivision,
23 all of the following apply:

24 (i) Amounts received from transactions, activities, and sources
25 in the regular course of the taxpayer's business include, but are
26 not limited to, the following:

27 (A) Receipts from tangible and intangible property if the

1 acquisition, rental, lease, management, or disposition of the
2 property constitutes integral parts of the taxpayer's regular trade
3 or business operations.

4 (B) Receipts received in the course of the taxpayer's trade or
5 business from stock and securities of any foreign or domestic
6 corporation and dividend and interest income.

7 (C) Receipts derived from isolated sales, leases, assignments,
8 licenses, divisions, or other infrequently occurring dispositions,
9 transfers, or transactions involving tangible, intangible, or real
10 property if the property is or was used in the taxpayer's trade or
11 business operation.

12 (D) Receipts derived from the sale of an interest in a
13 business that constitutes an integral part of the taxpayer's
14 regular trade or business.

15 (E) Receipts derived from the lease or rental of real
16 property.

17 (ii) Receipts excluded from gross receipts include, but are not
18 limited to, the following:

19 (A) Receipts derived from investment activity, including
20 interest, dividends, royalties, and gains from an investment
21 portfolio or retirement account, if the investment activity is not
22 part of the taxpayer's trade or business.

23 (B) Receipts derived from the disposition of tangible,
24 intangible, or real property held for personal use and enjoyment,
25 such as a personal residence or personal assets.

26 (x) Receipts derived from investment activity by a person that
27 is organized exclusively to conduct investment activity and that

1 does not conduct investment activity for any person other than an
2 individual or a person related to that individual or by a common
3 trust fund established under the collective investment funds act,
4 1941 PA 174, MCL 555.101 to 555.113. For purposes of this
5 subdivision, a person is related to an individual if that person is
6 a spouse, brother or sister, whether of the whole or half blood or
7 by adoption, ancestor, lineal descendent of that individual or
8 related person, or a trust benefiting that individual or 1 or more
9 persons related to that individual.

10 (y) Interest income and dividends derived from obligations or
11 securities of the United States government, this state, or any
12 governmental unit of this state. As used in this subdivision,
13 "governmental unit" means that term as defined in section 3 of the
14 shared credit rating act, 1985 PA 227, MCL 141.1053.

15 (z) Dividends and royalties received or deemed received from a
16 foreign operating entity or a person other than a United States
17 person, including, but not limited to, the amounts determined under
18 section 78 of the internal revenue code and sections 951 to 964 of
19 the internal revenue code, phased in over a 5-year period starting
20 with 50% of that amount in the 2008 tax year, 60% in the 2009 tax
21 year, 60% in the 2010 tax year, 75% in the 2011 tax year, and 100%
22 in the 2012 tax year and each tax year thereafter.

23 (aa) To the extent not deducted as purchases from other firms
24 under section 203, each of the following:

25 (i) Sales or use taxes collected from or reimbursed by a
26 consumer or other taxes the taxpayer collected directly from or was
27 reimbursed by a purchaser and remitted to a local, state, or

1 federal tax authority, phased in over a 5-year period starting with
2 50% of that amount in the 2008 tax year, 60% in the 2009 tax year,
3 60% in the 2010 tax year, 75% in the 2011 tax year, and 100% in the
4 2012 tax year and each tax year thereafter.

5 (ii) In the case of receipts from the sale of cigarettes or
6 tobacco products by a wholesale dealer, retail dealer, distributor,
7 manufacturer, or seller, an amount equal to the federal and state
8 excise taxes paid by any person on or for such cigarettes or
9 tobacco products under subtitle E of the internal revenue code or
10 other applicable state law, phased in over a 3-year period starting
11 with 60% of that amount in the 2008 tax year, 75% in the 2009 tax
12 year, and 100% in the 2010 tax year and each tax year thereafter.

13 (iii) In the case of receipts from the sale of motor fuel by a
14 person with a motor fuel tax license or a retail dealer, an amount
15 equal to federal and state excise taxes paid by any person on such
16 motor fuel under section 4081 of the internal revenue code or under
17 other applicable state law, phased in over a 5-year period starting
18 with 50% of that amount in the 2008 tax year, 60% in the 2009 tax
19 year, 60% in the 2010 tax year, 75% in the 2011 tax year, and 100%
20 in the 2012 tax year and each tax year thereafter.

21 (iv) In the case of receipts from the sale of beer, wine, or
22 intoxicating liquor by a person holding a license to sell,
23 distribute, or produce those products, an amount equal to federal
24 and state excise taxes paid by any person on or for such beer,
25 wine, or intoxicating liquor under subtitle E of the internal
26 revenue code or other applicable state law, phased in over a 5-year
27 period starting with 50% of that amount in the 2008 tax year, 60%

1 in the 2009 tax year, 60% in the 2010 tax year, 75% in the 2011 tax
2 year, and 100% in the 2012 tax year and each tax year thereafter.

3 (v) In the case of receipts from the sale of communication,
4 video, internet access and related services and equipment, any
5 government imposed tax, fee, or other imposition in the nature of a
6 tax or fee required by law, ordinance, regulation, ruling, or other
7 legal authority and authorized to be charged on a customer's bill
8 or invoice, phased in over a 5-year period starting with 50% of
9 that amount in the 2008 tax year, 60% in the 2009 tax year, 60% in
10 the 2010 tax year, 75% in the 2011 tax year, and 100% in the 2012
11 tax year and each tax year thereafter. This subparagraph does not
12 include the recovery of net income taxes, net worth taxes, property
13 taxes, or the tax imposed under this act.

14 (vi) In the case of receipts from the sale of electricity,
15 natural gas, or other energy source, any government imposed tax,
16 fee, or other imposition in the nature of a tax or fee required by
17 law, ordinance, regulation, ruling, or other legal authority and
18 authorized to be charged on a customer's bill or invoice, phased in
19 over a 5-year period starting with 50% of that amount in the 2008
20 tax year, 60% in the 2009 tax year, 60% in the 2010 tax year, 75%
21 in the 2011 tax year, and 100% in the 2012 tax year and each tax
22 year thereafter. This subparagraph does not include the recovery of
23 net income taxes, net worth taxes, property taxes, or the tax
24 imposed under this act.

25 (vii) Any deposit required under any of the following, phased
26 in over a 5-year period starting with 50% of that amount in the
27 2008 tax year, 60% in the 2009 tax year, 60% in the 2010 tax year,

1 75% in the 2011 tax year, and 100% in the 2012 tax year and each
2 tax year thereafter:

3 (A) 1976 IL 1, MCL 445.571 to 445.576.

4 (B) R 436.1629 of the Michigan administrative code.

5 (C) R 436.1723a of the Michigan administrative code.

6 (D) Any substantially similar beverage container deposit law
7 of another state.

8 (viii) An excise tax collected pursuant to the airport parking
9 tax act, 1987 PA 248, MCL 207.371 to 207.383, collected from or
10 reimbursed by a consumer and remitted as provided in the airport
11 parking tax act, 1987 PA 248, MCL 207.371 to 207.383, phased in
12 over a 5-year period starting with 50% of that amount in the 2008
13 tax year, 60% in the 2009 tax year, 60% in the 2010 tax year, 75%
14 in the 2011 tax year, and 100% in the 2012 tax year and each tax
15 year thereafter.

16 (bb) Amounts attributable to an ownership interest in a pass-
17 through entity, regulated investment company, real estate
18 investment trust, or cooperative corporation whose business
19 activities are taxable under section 203 or would be subject to the
20 tax under section 203 if the business activities were in this
21 state. For purposes of this subdivision:

22 (i) "Cooperative corporation" means those organizations
23 described under subchapter T of the internal revenue code.

24 (ii) "Pass-through" entity means a partnership, subchapter S
25 corporation, or other person, other than an individual, that is not
26 classified for federal income tax purposes as an association taxed
27 as a corporation.

1 (iii) "Real estate investment trust" means that term as defined
2 under section 856 of the internal revenue code.

3 (iv) "Regulated investment company" means that term as defined
4 under section 851 of the internal revenue code.

5 (cc) For a regulated investment company as that term is
6 defined under section 851 of the internal revenue code, receipts
7 derived from investment activity by that regulated investment
8 company.

9 (dd) For fiscal years that begin after September 30, 2009,
10 unless the state budget director certifies to the state treasurer
11 by January 1 of that fiscal year that the federally certified rates
12 for actuarial soundness required under 42 CFR 438.6 and that are
13 specifically developed for Michigan's health maintenance
14 organizations that hold a contract with this state for medicaid
15 services provide explicit adjustment for their obligations required
16 for payment of the tax under this act, amounts received by the
17 taxpayer during that fiscal year for medicaid premium or
18 reimbursement of costs associated with service provided to a
19 medicaid recipient or beneficiary.

20 (ee) For a taxpayer that provides health care management
21 consulting services, amounts received by the taxpayer as fees from
22 its clients that are expended by the taxpayer to reimburse those
23 clients for labor and nonlabor services that are paid by the client
24 and reimbursed to the client pursuant to a services agreement.

25 **(FF) FOR TAX YEARS BEGINNING AFTER DECEMBER 31, 2010, PROCEEDS**
26 **FROM THE SALE OF MEDIA PROPERTY AND AMOUNTS RECEIVED FROM ANY OTHER**
27 **TRANSACTION INVOLVING MEDIA PROPERTY IF THAT TRANSACTION IS**

1 TREATED, FOR FEDERAL INCOME TAX PURPOSES, AS FINANCING, A SALE OR
2 LEASEBACK, A SALE OF ANY INTEREST THEREOF, OR A SALE OF A
3 PARTICIPATION IN THE PROCEEDS THEREFROM, AND IF THAT TRANSACTION IS
4 INTENDED TO FINANCE OR SHARE THE RISK RELATED TO THE PRODUCTION OF
5 THAT MEDIA PROPERTY. AS USED IN THIS SUBDIVISION, "MEDIA PROPERTY"
6 MEANS THAT TERM AS DEFINED UNDER SECTION 305(20).

7 (2) "Insurance company" means an authorized insurer as defined
8 in ~~section~~ **SECTIONS 106 AND 108** of the insurance code of 1956, 1956
9 PA 218, MCL 500.106 **AND 500.108**.

10 (3) "Internal revenue code" means the United States internal
11 revenue code of 1986 in effect on January 1, 2008 or, at the option
12 of the taxpayer, in effect for the tax year.

13 (4) "Inventory" means, except as provided in subdivision (e),
14 all of the following:

15 (a) The stock of goods held for resale in the regular course
16 of trade of a retail or wholesale business, including electricity
17 or natural gas purchased for resale.

18 (b) Finished goods, goods in process, and raw materials of a
19 manufacturing business purchased from another person.

20 (c) For a person that is a new motor vehicle dealer licensed
21 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923,
22 floor plan interest expenses for new motor vehicles. For purposes
23 of this subdivision, "floor plan interest" means interest paid that
24 finances any part of the person's purchase of new motor vehicle
25 inventory from a manufacturer, distributor, or supplier. However,
26 amounts attributable to any invoiced items used to provide more
27 favorable floor plan assistance to a person subject to the tax

1 imposed under this act than to a person not subject to this tax is
2 considered interest paid by a manufacturer, distributor, or
3 supplier.

4 (d) For a person that is a securities trader, broker, or
5 dealer or a person included in the unitary business group of that
6 securities trader, broker, or dealer that buys and sells for its
7 own account, contracts that are subject to the commodity exchange
8 act, 7 USC 1 to 27f, the cost of securities as defined under
9 section 475(c)(2) of the internal revenue code and for a securities
10 trader the cost of commodities as defined under section 475(e)(2)
11 and for a broker or dealer the cost of commodities as defined under
12 section 475(e)(2)(b), (c), and (d) of the internal revenue code,
13 excluding interest expense other than interest expense related to
14 repurchase agreements. As used in this subdivision:

15 (i) "Broker" means that term as defined under section 78c(a)(4)
16 of the securities exchange act of 1934, 15 USC 78c.

17 (ii) "Dealer" means that term as defined under section
18 78c(a)(5) of the securities exchange act of 1934, 15 USC 78c.

19 (iii) "Securities trader" means a person that engages in the
20 trade or business of purchasing and selling investments and trading
21 assets.

22 (e) Inventory does not include either of the following:

23 (i) Personal property under lease or principally intended for
24 lease rather than sale.

25 (ii) Property allowed a deduction or allowance for depreciation
26 or depletion under the internal revenue code.

27 (5) "Officer" means an officer of a corporation other than a

1 subchapter S corporation, including all of the following:

2 (a) The chairperson of the board.

3 (b) The president, vice president, secretary, or treasurer of
4 the corporation or board.

5 (c) Persons performing similar duties to persons described in
6 subdivisions (a) and (b).

7 Sec. 113. (1) "Partner" means a partner or member of a
8 partnership.

9 (2) "Partnership" means a taxpayer that is required to or has
10 elected to file as a partnership for federal income tax purposes.

11 (3) "Person" means an individual, firm, bank, financial
12 institution, insurance company, limited partnership, limited
13 liability partnership, copartnership, partnership, joint venture,
14 association, corporation, subchapter S corporation, limited
15 liability company, receiver, estate, trust, or any other group or
16 combination of groups acting as a unit.

17 (4) "Professional employer organization" means an organization
18 that provides the management and administration of the human
19 resources of another entity by contractually assuming substantial
20 employer rights and responsibilities through a professional
21 employer agreement that establishes an employer relationship with
22 the leased officers or employees assigned to the other entity by
23 doing all of the following:

24 (a) Maintaining a right of direction and control of employees'
25 work, although this responsibility may be shared with the other
26 entity.

27 (b) Paying wages and employment taxes of the employees out of

1 its own accounts.

2 (c) Reporting, collecting, and depositing state and federal
3 employment taxes for the employees.

4 (d) Retaining a right to hire and fire employees.

5 (5) Professional employer organization is not a staffing
6 company as that term is defined in subsection (6).

7 (6) "Purchases from other firms" means all of the following:

8 (a) Inventory acquired during the tax year, including freight,
9 shipping, delivery, or engineering charges included in the original
10 contract price for that inventory.

11 (b) Assets, including the costs of fabrication and
12 installation, acquired during the tax year of a type that are, or
13 under the internal revenue code will become, eligible for
14 depreciation, amortization, or accelerated capital cost recovery
15 for federal income tax purposes.

16 (c) To the extent not included in inventory or depreciable
17 property, materials and supplies, including repair parts and fuel.

18 (d) For a staffing company, compensation of personnel supplied
19 to customers of staffing companies. As used in this subdivision:

20 (i) "Compensation" means that term as defined under section 107
21 plus all payroll tax and worker's compensation costs.

22 (ii) "Staffing company" means a taxpayer whose business
23 activities are included in industry group 736 under the standard
24 industrial classification code as compiled by the United States
25 department of labor.

26 (e) For a person included in major group 15, 16, or 17 under
27 the standard industrial classification code as compiled by the

1 United States department of labor that does not qualify for a
2 credit under section 417, both of the following:

3 (i) Payments to subcontractors for a construction project under
4 a contract specific to that project.

5 (ii) To the extent not deducted under subdivisions (a) and (c),
6 payments for materials deducted as purchases in determining the
7 cost of goods sold for the purpose of calculating total income on
8 the taxpayer's federal income tax return.

9 (f) For the 2008 tax year and each tax year after 2008, all
10 film rental or royalty payments paid by a theater owner to a film
11 distributor, a film producer, or a film distributor and producer.

12 (g) For a taxpayer licensed under article 25 or 26 of the
13 occupational code, 1980 PA 299, MCL 339.2501 to 339.2518 and
14 339.2601 to 339.2637, payments to an independent contractor
15 licensed under article 25 or 26 of the occupational code, 1980 PA
16 299, MCL 339.2501 to 339.2518 and 339.2601 to 339.2637.

17 **(H) FOR THE 2011 TAX YEAR AND EACH TAX YEAR AFTER 2011, FOR A**
18 **TAXPAYER WHOSE BUSINESS ACTIVITIES INCLUDE LIVE RADIO OR TELEVISION**
19 **PROGRAMMING AS DESCRIBED IN SUBSECTOR CODE 7922 OF INDUSTRY GROUP**
20 **792 UNDER THE STANDARD INDUSTRIAL CLASSIFICATION CODE AS COMPILED**
21 **BY THE UNITED STATES DEPARTMENT OF LABOR OR ARE INVOLVED IN**
22 **INDUSTRY GROUPS 483, 484, 781, OR 782 UNDER THE STANDARD INDUSTRIAL**
23 **CLASSIFICATION CODE AS COMPILED BY THE UNITED STATES DEPARTMENT OF**
24 **LABOR, OR ANY COMBINATION OF BUSINESS ACTIVITIES INCLUDED IN THOSE**
25 **GROUPS, ASSETS ACQUIRED DURING THE TAX YEAR OF A TYPE THAT ARE, OR**
26 **UNDER THE INTERNAL REVENUE CODE WILL BECOME, ELIGIBLE FOR**
27 **DEPRECIATION OR AMORTIZATION FOR FEDERAL INCOME TAX PURPOSES**

1 INCLUDING MEDIA PROPERTY AS DEFINED IN SECTION 305(20) AND RIGHTS
2 TO BROADCAST LIVE OR DELAYED COVERAGE OF EVENTS SUCH AS CONCERTS,
3 PLAYS, SPORTING EVENTS, FOR WHICH COSTS ARE INCURRED BY THE
4 TAXPAYER TO ACQUIRE, PRODUCE, OR USE SUCH PROPERTY.

5 (7) "Revenue mile" means the transportation for a
6 consideration of 1 net ton in weight or 1 passenger the distance of
7 1 mile.