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Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA**



**BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

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Senate Bill 1237 (as reported without amendment)  
Sponsor: Senator Bev Hammerstrom  
Committee: Finance

**CONTENT**

The bill would amend the General Sales Tax Act to exempt from the tax sales of food or candy, chewing gum, and toys or other items designed primarily to be used or played with by children, if sold through a coin-operated "bulk vending machine" and if the consideration paid were 50 cents or less. A "bulk vending machine" would be a vending machine containing unsorted items that, upon insertion of a coin, dispensed items in approximately equal portions at random and without selection by the customer.

Proposed MCL 205.54aa

Legislative Analyst: G. Towne

**FISCAL IMPACT**

This bill would reduce sales tax collections by an estimated \$0.5 million. This loss in revenue would primarily affect School Aid Fund revenue.

Date Completed: 5-22-00

Fiscal Analyst: J. Wortley