
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 1237 (as introduced 5-3-00)
Sponsor: Senator Bev Hammerstrom
Committee: Finance

Date Completed: 5-17-00

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 that contained 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.

Fiscal Analyst: J. Wortley

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.