

SENATE BILL NO. 1178

October 01, 2020, Introduced by Senators SCHMIDT, MACGREGOR and HERTEL and referred to the Committee on Economic and Small Business Development.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4hh. (1) Beginning January 1, 2021, the sale of an
2 automated consumer goods micro-fulfillment system or system parts
3 to a retailer is exempt from the tax under this act.

4 (2) As used in this section:

5 (a) "Automated consumer goods micro-fulfillment system" means
6 an automated goods-handling system that temporarily stores,

1 selects, retrieves, assembles, and stages consumer goods ordered by
2 a consumer for delivery to the consumer or distribution to a retail
3 store where the goods are picked up by the consumer and that
4 occupies not less than 10,000 square feet of space in a building in
5 which at least half of the building's square footage is used as an
6 operating retail store and is owned, leased, or used by a retailer.

7 (b) "Consumer goods" means finished goods for use primarily
8 for personal, family, or household purposes.

9 (c) "System parts" means machinery, equipment, repair parts,
10 and computer software that are component parts of an automated
11 consumer goods micro-fulfillment system.