

# Bring Businesses Relief to Stay Open and Keep Families Safe

## House Bill 4224-5: Personal Protective Equipment (PPE) Tax Relief

### Why House Bills 4224-5 Are Important

- ✓ PPE is a lifeline for businesses who have taken great efforts to stay open safely.
- ✓ Currently, PPE is exempt for industrial processing, but not for COVID-19.
- ✓ Because COVID-19 could not have been predicted, businesses could not plan for PPE purchases. Similarly, new revenue from PPE has not been forecasted in the state budget, so offering these exemptions does not decrease funding that relies on the Sales Tax.
- ✓ More affordable PPE means businesses can better afford to keep employees and their families safe when they return home.

### Bill Summary

The Detroit Regional Chamber with Michigan Reps. Jim Lilly (R-Park Township), and Sarah Anthony (D-Lansing) introduced a package of House Bills that will provide businesses tax relief for purchases of life-saving PPE.

- Exempt purchases of PPE from the Sales and Use Tax.
- Would exempt purchases of PPE from the Sales and Use Tax since the beginning of the COVID-19 pandemic through the end of 2021.
- Businesses would maintain their existing COVID-19 safety plan.



**48.5%** of businesses are spending **\$10K or less** on PPE<sup>1</sup> to reopen



Restaurants are spending around **\$25K** on PPE<sup>2</sup>

### Personal Protective Equipment (PPE)



PPE includes face masks, face shields, respirators, gloves, eye protection, and disinfectant products.



Business safety plans are put in place by businesses to follow guidelines set by the MDHHS and CDC.

