

SENATE BILL No. 44

January 27, 2009, Introduced by Senator BASHAM and referred to the Committee on Local, Urban and State Affairs.

A bill to impose a state excise tax on persons engaged in the business of operating an adult entertainment facility; to provide for the levy, assessment, and collection of the tax; to provide for the disposition of the collections from the tax; and to prescribe the powers and duties of certain state officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the "adult
2 entertainment tax act".

3 Sec. 3. As used in this act:

4 (a) "Adult entertainment facility" means a business,
5 nightclub, bar, restaurant, bookstore, video store, or similar
6 commercial enterprise at which a nude or partially denuded
7 individual, regardless of whether the individual is an employee or
8 an independent contractor of the adult entertainment facility,
9 performs a service on the premises of that facility.

1 (b) "Nude" or "partially denuded" means either of the
2 following:

3 (i) Entirely unclothed.

4 (ii) Clothed in a manner that leaves uncovered or visible
5 through less than fully opaque clothing any portion of the breasts
6 below the top of the areola of the breasts, if the person is
7 female, or any portion of the genitals or buttocks.

8 (c) "Person" means an individual, firm, limited partnership,
9 limited liability partnership, copartnership, partnership, joint
10 venture, association, corporation, subchapter S corporation,
11 limited liability company, or other legal entity.

12 Sec. 5. (1) There is levied upon and shall be collected from a
13 person engaged in the business of operating an adult entertainment
14 facility an excise tax. The rate of the excise tax is \$3.00 for
15 each entry by each customer admitted into the adult entertainment
16 facility.

17 (2) The tax levied under this act is in addition to any other
18 taxes, charges, or fees imposed by law on the operator.

19 (3) This section does not require the person operating an
20 adult entertainment facility to impose a fee on a customer of the
21 adult entertainment facility. The person operating an adult
22 entertainment facility may determine the manner in which the adult
23 entertainment facility derives the money required to pay the tax
24 imposed by this act.

25 Sec. 7. (1) An excise tax under this act shall be collected at
26 the same time and in the same manner as the use tax pursuant to the
27 use tax act, 1937 PA 94, MCL 205.91 to 205.111.

1 (2) The tax shall be administered by the revenue division of
2 the department of treasury under 1941 PA 122, MCL 205.1 to 205.31.

3 Sec. 9. The collections from the tax imposed under this act
4 shall be deposited in the domestic violence prevention and
5 treatment fund created in section 5 of 1978 PA 389, MCL 400.1505.