

SENATE BILL No. 884

March 1, 2018, Introduced by Senator YOUNG and referred to the Committee on Finance.

A bill to provide for the levy, collection, and administration of an excise tax on the admission charge to an entertainment event in this state; to provide for the disposition of the proceeds of the tax; to prescribe the powers and duties of certain state departments; and to provide for certain exemptions.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

3 Sec. 2. As used in this act:

4 (a) "Entertainment event" or "event" means 1 or more of the
5 following that has a seating capacity of 5,000 or more:

6 (i) Professional sporting event.

7 (ii) Concert.

8 (b) "Fund" or "sporting entertainment tax fund" means the

1 sporting entertainment tax fund created in section 6.

2 (c) "Qualified municipality" means a city with a population of
3 500,000 or more.

4 Sec. 3. (1) An excise tax is levied on the admission charge of
5 each entertainment event held in a qualified municipality.

6 (2) The rate of the excise tax is \$3.00 per paid entry to the
7 entertainment event.

8 Sec. 4. (1) The excise tax shall be collected at the same time
9 and in the same manner as the tax imposed under the use tax act,
10 1937 PA 94, MCL 205.91 to 205.111.

11 (2) The excise tax imposed by this act shall be administered
12 by the state treasurer under 1941 PA 122, MCL 205.1 to 205.31.

13 (3) The state treasurer shall prescribe the forms necessary
14 for the administration of this act and may promulgate necessary
15 rules under the administrative procedures act of 1969, 1969 PA 306,
16 MCL 24.201 to 24.328.

17 Sec. 5. A taxpayer may reimburse himself or herself by adding
18 the amount of the excise tax to the admission charge for the event.

19 Sec. 6. (1) The sporting entertainment tax fund is created
20 within the state treasury.

21 (2) The proceeds from the collection of the excise tax imposed
22 under this act shall be deposited with the state treasurer and
23 credited to the fund.

24 (3) The state treasurer may receive money or other assets from
25 any source for deposit into the fund. The state treasurer shall
26 direct the investment of the fund. The state treasurer shall credit
27 to the fund interest and earnings from fund investments.

1 (4) Money in the fund at the close of the fiscal year shall
2 remain in the fund and shall not lapse to the general fund.

3 (5) The state treasurer shall expend money from the fund, upon
4 appropriation, as follows:

5 (a) Thirty-four percent shall be used to fund additional
6 police officers for the qualified municipality in which the
7 entertainment event took place.

8 (b) Thirty-three percent shall be used to fund additional
9 firefighters for the qualified municipality in which the
10 entertainment event took place.

11 (c) Thirty-three percent shall be used to fund additional
12 emergency medical services personnel for the qualified municipality
13 in which the entertainment event took place.