

Act No. 468  
Public Acts of 1996  
Approved by the Governor  
December 21, 1996  
Filed with the Secretary of State  
December 26, 1996

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1996**

Introduced by Reps. Bullard, Lowe, London, Dobb, Perricone, Green and Horton

# **ENROLLED HOUSE BILL No. 5065**

AN ACT to amend section 11 of Act No. 140 of the Public Acts of 1971, entitled as amended "An act to provide for the distribution of certain state revenues to cities, villages, townships, and counties; to impose certain duties and confer certain powers on this state, political subdivisions of this state, and the officers of both; to create reserve funds; and to establish a revenue sharing task force and provide for its powers and duties," as amended by Act No. 342 of the Public Acts of 1996, being section 141.911 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 11 of Act No. 140 of the Public Acts of 1971, as amended by Act No. 342 of the Public Acts of 1996, being section 141.911 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 11. (1) For state fiscal years before the 1996-1997 state fiscal year, the department of management and budget shall cause to be paid during each August, November, February, and May, to counties on a per capita basis the collections from the state income tax as certified by the department of treasury for the quarter periods ending the prior June 30, September 30, December 31, and March 31 that are available for distribution to and retention by counties.

(2) For state fiscal years beginning after September 30, 1992 and ending before October 1, 1996, the collections from the state income tax otherwise available for distribution to counties in November for the quarter period ending the prior September 30 shall be increased by \$35,900,000.00 and the collections from the state income tax otherwise available for distribution to counties in August for the quarter period ending the prior June 30 shall be decreased by \$35,900,000.00.

(3) For state fiscal years after the 1995-1996 state fiscal year and before the 1998-1999 state fiscal year, the department of treasury shall cause to be paid to counties on a per capita basis an amount equal to 24.5% of the difference between 21.3% of the sales tax collections at a rate of 4% in the 12-month period ending June 30 of the state fiscal year in which the payments are made and the total distribution for the state fiscal year under section 12a. For state fiscal years after the 1997-1998 state fiscal year, the department of treasury shall cause to be paid to each county the same amount that was paid to that county under this section during the immediately preceding state fiscal year from 24.5% of the difference between 21.3% of the sales tax collections at a rate of 4% in the 12-month period ending June 30 of the state fiscal year in which the payments are made and the total distribution for the state fiscal year under section 12a. Each state fiscal year after the 1997-1998 state fiscal year, the amount by which the total collections available for distribution under this subsection exceed the amount distributed under this subsection shall be deposited in the revenue sharing reserve fund created in subsection (5).

(4) The payments under subsection (3) shall be made from revenues collected during the state fiscal year in which the payments are made and shall be made during each October, December, February, April, June, and August. Payments shall be based on collections from the sales tax at a rate of 4% in the 2-month period ending the prior

August 31, October 31, December 31, February 28, April 30, and June 30, less 1/6 of the total distribution for the state fiscal year under section 12a. For state fiscal years after the 1995-1996 state fiscal year, the collections from the sales tax otherwise available for distribution to counties under subsection (3) in December shall be increased by \$17,000,000.00 and the collections from the sales tax otherwise available for distribution to counties under subsection (3) in April shall be decreased by \$17,000,000.00.

(5) The revenue sharing reserve fund is created as a separate fund in the general fund.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved -----

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Governor.

