

House Bills 5516 and 5517
Sponsor: Rep. Charles LaSata
Committee: Economic Development

Complete to 10-17-00

A SUMMARY OF HOUSE BILLS 5516 and 5517 AS INTRODUCED 3-16-00

House Bill 5516 would amend Public Act 243 of 1959 (MCL 125.1041 et al.), the mobile home park act, to increase the tax on trailer coaches and to earmark a certain portion of the increase for the School Aid Fund and for local units of government. House Bill 5517 would amend the General Sales Tax Act (MCL 205.75) to earmark a portion of the sales taxes collected on mobile home sales to the School Aid Fund.

Currently, under the mobile home park act, a specific tax of \$3.00 per month is imposed on each occupied trailer coach in a trailer coach park in lieu of a property tax. Of this amount, the treasurer of the municipality in which the trailer park is located credits 50 cents to the municipal general fund; forwards 50 cents to the county treasurer for credit to the county general fund; and \$2.00 to the state treasury for credit to the State School Aid Fund. House Bill 5516 would increase the tax to \$8.00 per month. Of this amount, 50 cents would still be credited to the county general fund; but the municipal general fund would receive \$4.50; and the State School Aid Fund would receive \$3.00.

The General Sales Tax Act currently specifies that fifteen percent of the collections of the sales tax imposed at a rate of four percent is to be distributed to local governmental units through revenue sharing payments; sixty percent of the sales tax collections imposed at a rate of four percent, and 100 percent of sales tax collections imposed at the additional rate of two percent is to be deposited in the School Aid Fund. The act also provides for distributions to the Comprehensive Transportation Fund, and the Michigan Health Initiative Fund, and allocates the balance to the general fund. House Bill 5517 would amend the act to specify that, after allocations and distributions are made to local governments and the School Aid Fund, an amount equal to the balance of the tax collections imposed at a rate of four percent on the sale of each manufactured or mobile home would be deposited in the school aid fund. Under the bill, "manufactured or mobile home" would mean a structure, transportable in one or more sections, that was built on a chassis and designed to be used as a dwelling, with or without a permanent foundation, when connected to the required utilities and includes the plumbing, heating, air-conditioning, and electrical systems contained in the structure.

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