

SENATE BILL No. 783

October 24, 2001, Introduced by Senators GOUGEON and NORTH and referred to the Committee on Finance.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 25 (MCL 205.75), as amended by 1993 PA 325.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 25. (1) All sums of money received and collected under
2 this act shall be deposited by the department in the state trea-
3 sury to the credit of the general fund, except as provided in
4 this section.

5 (2) Fifteen percent of the collections of the tax imposed at
6 a rate of 4% shall be distributed to cities, villages, and town-
7 ships pursuant to the GLENN STEIL state revenue sharing act of
8 1971, ~~Act No. 140 of the Public Acts of 1971, being sections~~
9 ~~141.901 to 141.921 of the Michigan Compiled Laws~~ 1971 PA 140,
10 MCL 141.901 TO 141.921.

1 (3) Sixty percent of the collections of the tax imposed at a
2 rate of 4% shall be deposited in the state school aid fund
3 established in section 11 of article IX of the state constitution
4 of 1963 and distributed as provided by law. In addition, all of
5 the collections of the tax imposed at the additional rate of 2%
6 approved by the electors March 15, 1994 shall be deposited in the
7 state school aid fund.

8 (4) For the fiscal year ending September 30, 1988 and each
9 fiscal year ending after September 30, 1988, of the 25% of the
10 collections of the general sales tax imposed at a rate of 4%
11 directly or indirectly on fuels sold to propel motor vehicles
12 upon highways, on the sale of motor vehicles, and on the sale of
13 the parts and accessories of motor vehicles by new and used car
14 businesses, used car businesses, accessory dealer businesses, and
15 gasoline station businesses as classified by the department of
16 treasury remaining after the allocations and distributions are
17 made pursuant to subsections (2) and (3), the following amounts
18 shall be deposited each year into the respective funds:

19 (a) Not less than 27.9% to the comprehensive transportation
20 fund. ~~However, for the fiscal year ending September 30, 1991~~
21 ~~only, the amount to be deposited in the comprehensive transporta-~~
22 ~~tion fund shall be reduced by \$1,500,000.00.~~

23 (b) The balance to the state general fund.

24 (5) After the allocations and distributions are made pursu-
25 ant to subsections (2) and (3), an amount equal to the collec-
26 tions of the tax imposed at a rate of 4% by this act from the
27 sale at retail of computer software as defined in section 1 shall

1 be deposited in the Michigan health initiative fund created in
2 section 5911 of the public health code, ~~Act No. 368 of the~~
3 ~~Public Acts of 1978, being section 333.5911 of the Michigan~~
4 ~~Compiled Laws~~ 1978 PA 368, MCL 333.5911, and shall be considered
5 in addition to, and is not intended as a replacement for any
6 other money appropriated to the department of public health. The
7 funds deposited in the Michigan health initiative fund on an
8 annual basis shall not be less than \$9,000,000.00 or more than
9 \$12,000,000.00.

10 (6) IN EACH FISCAL YEAR FOLLOWING THE 1999-2000 FISCAL YEAR,
11 25% OF THE COLLECTIONS OF THE TAX IMPOSED AT A RATE OF 4% UNDER
12 THIS ACT DIRECTLY OR INDIRECTLY ON FUELS SOLD TO PROPEL AIRCRAFT,
13 THE SALE OF AIRCRAFT, AIRCRAFT RENTALS, THE SALE OF AIRCRAFT
14 PARTS AND ACCESSORIES, AND ALL SALES AT AIRPORT CONCESSIONS,
15 INCLUDING MOTOR VEHICLE RENTALS LOCATED AT AIRPORTS, SHALL BE
16 DEPOSITED EACH YEAR INTO THE STATE AERONAUTICS FUND CREATED IN
17 SECTION 34 OF THE AERONAUTICS CODE OF THE STATE OF MICHIGAN, 1945
18 PA 327, MCL 259.34, AND SHALL BE USED FOR AIRPORT CAPITAL
19 IMPROVEMENTS PROJECTS. HOWEVER, NO FUNDS COLLECTED FOR CAPITAL
20 IMPROVEMENTS PROJECTS SHALL BE EXPENDED FOR CHANGES IN THE NATURE
21 OF RUNWAY EXTENSIONS AT AN AIRPORT LOCATED WITHIN 15 MILES OF AN
22 AIRPORT THAT SERVICES 4,000,000 OR MORE EMPLANEMENTS ANNUALLY.

23 (7) ~~-(6)-~~ The balance in the state general fund shall be
24 disbursed only on an appropriation or appropriations by the
25 legislature.