



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 838 (Substitute S-1 as reported)
Sponsor: Senator Nancy Cassis
Committee: Finance

CONTENT

The bill would repeal Section 3d of the Use Tax Act immediately after the section takes effect on December 1, 2007. Section 3d extends the use tax to certain services and appropriates \$100,000 to the Department of Treasury for the implementation of the section's requirements.

Section 3d was enacted by Public Act 93 of 2007.

MCL 205.93d

Legislative Analyst: Craig Laurie

FISCAL IMPACT

This bill would reduce use tax revenue an estimated \$613.8 million in FY 2007-08 and \$751.3 million in FY 2008-09. Two-thirds of this loss in revenue would have an impact on the General Fund/General Purpose budget and one-third of this loss in revenue would affect the School Aid Fund. Local units of government would not be directly affected by this bill.

Date Completed: 11-6-07

Fiscal Analyst: Jay Wortley