

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senators Proos, Pappageorge, Hildenbrand, Meekhof, Marleau, Hansen, Jones and Kahn

ENROLLED SENATE BILL No. 351

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending section 25 (MCL 205.75), as amended by 2010 PA 160.

The People of the State of Michigan enact:

Sec. 25. (1) All money received and collected under this act shall be deposited by the department in the state treasury to the credit of the general fund, except as otherwise provided in this section.

(2) Fifteen percent of the collections of the tax imposed at a rate of 4% shall be distributed to cities, villages, and townships pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

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

(4) Not less than 27.9% of 25% of the collections of the general sales tax imposed at a rate of 4% directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the department of treasury shall be deposited each year into the comprehensive transportation fund created in section 10b of 1951 PA 51, MCL 247.660b.

(5) For the fiscal year ending September 30, 2013 only, an amount equal to 18% of the collections of the tax imposed at a rate of 4% under this act from the sale of motor fuel, as that term is defined in section 4 of the motor fuel tax act, 2000 PA 403, MCL 207.1004, shall be distributed as follows:

(a) An amount sufficient to match available federal highway funds shall be deposited into the state trunk line fund created in section 11 of 1951 PA 51, MCL 247.661, for the purpose of matching federal aid highway funds as those federal funds are made available to this state, but not less than 39.1% subject to subdivision (c).

(b) After the distribution under subdivision (a), any remaining balance, subject to subdivision (c), shall be distributed as follows:

(i) 66% to the county road commissions of this state, which distribution shall be administered under section 12 of 1951 PA 51, MCL 247.662.

(ii) 34% to the cities and villages of this state, which distribution shall be administered under section 13 of 1951 PA 51, MCL 247.663.

(c) Funds distributed under this subsection shall not exceed \$100,000,000.00.

(6) An amount equal to the collections of the tax imposed at a rate of 4% under this act from the sale at retail of computer software as defined in section 1a shall be deposited in the Michigan health initiative fund created in section 5911 of the public health code, 1978 PA 368, MCL 333.5911, and shall be considered in addition to, and is not intended as a replacement for any other money appropriated to the department of community health. The funds deposited in the Michigan health initiative fund on an annual basis shall not be less than \$9,000,000.00 or more than \$12,000,000.00.

(7) The balance in the state general fund shall be disbursed only on an appropriation or appropriations by the legislature.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Ray E. Randall

Clerk of the House of Representatives

Approved

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Governor