

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4677**

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 25 (MCL 205.75), as amended by 2012 PA 226.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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

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

9           (3) Sixty percent of the collections of the tax imposed at a  
10 rate of 4% shall be deposited in the state school aid fund

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

6 (4) Not less than 27.9% of 25% of the collections of the  
 7 general sales tax imposed at a rate of 4% directly or indirectly on  
 8 fuels sold to propel motor vehicles upon highways, on the sale of  
 9 motor vehicles, and on the sale of the parts and accessories of  
 10 motor vehicles by new and used car businesses, used car businesses,  
 11 accessory dealer businesses, and gasoline station businesses as  
 12 classified by the department of treasury shall be deposited each  
 13 year into the comprehensive transportation fund created in section  
 14 10b of 1951 PA 51, MCL 247.660b.

15 (5) ~~For the fiscal year ending September 30, 2013 only, an AN~~  
 16 amount equal to 18% of the collections of the tax imposed at a rate  
 17 of 4% under this act from the sale of motor fuel, as that term is  
 18 defined in section 4 of the motor fuel tax act, 2000 PA 403, MCL  
 19 207.1004, shall be distributed as follows: **TO THE MICHIGAN**  
 20 **TRANSPORTATION FUND CREATED IN SECTION 10 OF 1951 PA 51, MCL**  
 21 **247.660.**

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

27 ~~— (b) After the distribution under subdivision (a), any~~

1 remaining balance, subject to subdivision (c), shall be distributed  
2 as follows:

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

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

9 ~~—— (c) Funds distributed under this subsection shall not exceed~~  
10 ~~\$100,000,000.00.~~

11 (6) For the fiscal year ending ~~September 30, 2013 only and~~  
12 **SEPTEMBER 30, 2016, AND EACH FISCAL YEAR THEREAFTER**, except as  
13 otherwise limited in this subsection, after the allocations and  
14 distributions are made pursuant to subsections (2) and (3), an  
15 amount equal to the collections of the tax imposed at a rate of 4%  
16 under this act from the sale at retail of aviation fuel and  
17 aviation products shall be deposited in the state aeronautics fund  
18 and shall be expended, on appropriation, only for those purposes  
19 authorized in the aeronautics code of the state of Michigan, 1945  
20 PA 327, MCL 259.1 to 259.208. Not more than \$10,000,000.00 shall be  
21 deposited in the state aeronautics fund under this subsection. As  
22 used in this subsection, "state aeronautics fund" means the state  
23 aeronautics fund created in section 34 of the aeronautics code of  
24 the state of Michigan, 1945 PA 327, MCL 259.34.

25 (7) An amount equal to the collections of the tax imposed at a  
26 rate of 4% under this act from the sale at retail of computer  
27 software as defined in section 1a shall be deposited in the

1 Michigan health initiative fund created in section 5911 of the  
2 public health code, 1978 PA 368, MCL 333.5911, and shall be  
3 considered in addition to, and is not intended as a replacement for  
4 any other money appropriated to the department of community health.  
5 The funds deposited in the Michigan health initiative fund on an  
6 annual basis shall not be less than \$9,000,000.00 or more than  
7 \$12,000,000.00.

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

10 Enacting section 1. This amendatory act takes effect October  
11 1, 2014.

12 Enacting section 2. This amendatory act does not take effect  
13 unless Senate Bill No. 6 of the 97th Legislature is enacted into  
14 law.