

# HOUSE BILL No. 4747

April 25, 1991, Introduced by Reps. Sparks, Power, Bender, Nye and Randall and referred to the Committee on Taxation.

A bill to amend section 25 of Act No. 167 of the Public Acts of 1933, entitled as amended

"General sales tax act,"

as amended by Act No. 259 of the Public Acts of 1987, being section 205.75 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 25 of Act No. 167 of the Public Acts of  
2 1933, as amended by Act No. 259 of the Public Acts of 1987, being  
3 section 205.75 of the Michigan Compiled Laws, is amended to read  
4 as follows:

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

1       (2) Fifteen percent of the collections shall be distributed  
2 to cities, villages, and townships pursuant to the state revenue  
3 sharing act of 1971, Act No. 140 of the Public Acts of 1971,  
4 being sections 141.901 to 141.921 of the Michigan Compiled Laws.

5       (3) Sixty percent of the collections shall be transferred to  
6 the state school aid fund created by section 11 of article IX of  
7 the state constitution of 1963 and distributed as provided by  
8 law.

9       (4) For the fiscal year ending September 30, 1988 and each  
10 fiscal year thereafter, of the 25% of the collections of the gen-  
11 eral sales tax imposed directly or indirectly on fuels sold to  
12 propel motor vehicles upon highways, on the sale of motor vehi-  
13 cles, and on the sale of the parts and accessories of motor vehi-  
14 cles by new and used car businesses, used car businesses, acces-  
15 sory dealer businesses, and gasoline station businesses as clas-  
16 sified by the department of treasury remaining after the alloca-  
17 tions and distributions are made pursuant to subsections (2) and  
18 (3), the following amounts shall be deposited each year into the  
19 respective funds:

20       (a) Not less than 27.9% to the comprehensive transportation  
21 fund.

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

23       (5) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1991 AND EACH  
24 FISCAL YEAR THEREAFTER, THE 25% OF THE COLLECTIONS OF THE GENERAL  
25 SALES TAX IMPOSED DIRECTLY OR INDIRECTLY ON FUELS SOLD TO PROPEL  
26 AIRCRAFT, ON THE SALE OF NEW AIRCRAFT, AND ON THE SALE OF USED  
27 AIRCRAFT SHALL BE DEPOSITED EACH YEAR INTO THE AERONAUTICS FUND

1 CREATED IN SECTION 34 OF THE AERONAUTICS CODE, ACT NO. 327 OF THE  
2 PUBLIC ACTS OF 1945, BEING SECTION 259.34 OF THE MICHIGAN  
3 COMPILED LAWS, AND SHALL BE USED FOR AIRPORT CAPITAL IMPROVEMENTS  
4 INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING CATEGORIES:

5 (A) SAFETY.

6 (B) ENVIRONMENTAL PRESERVATION.

7 (C) INFRASTRUCTURE.

8 (D) ECONOMIC DEVELOPMENT.

9 (6) ~~-(5)-~~ After the allocations and distributions are made  
10 pursuant to subsections (2) and (3), an amount equal to the col-  
11 lections of the tax imposed by this act from the sale at retail  
12 of computer software as defined in section 1 shall be deposited  
13 in the Michigan health initiative fund created in section 5911 of  
14 the public health code, Act No. 368 of the Public Acts of 1978,  
15 being section 333.5911 of the Michigan Compiled Laws and shall be  
16 considered in addition to, and is not intended as a replacement  
17 for any other money appropriated to the department. ~~At no point~~  
18 ~~shall the funds~~ FUNDS deposited in the Michigan health initia-  
19 tive fund on an annual basis SHALL NOT be less than \$9,000,000.00  
20 or more than \$12,000,000.00.

21 (7) ~~-(6)-~~ The balance in the state general fund shall be  
22 disbursed only on an appropriation or appropriations by the  
23 legislature.