

# HOUSE BILL No. 5810

May 7, 1992, Introduced by Rep. Bennett and referred to the Committee on Taxation.

A bill to provide for the levy, assessment, and collection of a specific excise tax on the purchase of imported automobiles; to prescribe the powers and duties of certain state departments; to provide for the disposition of the excise tax; and to prescribe penalties for the violation of this act.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2 "import automobile excise tax act"

3       Sec. 3. As used in this act:

4       (a) "Department" means the revenue division of the depart-  
5 ment of treasury.

6       (b) "Imported automobile" means any vehicle that is assem-  
7 bled outside the United States and Canada or any vehicle of which  
8 75% or more of the components are manufactured outside the United  
9 States and Canada.

1 (c) "Person" means an individual, partnership, corporation,  
2 association, governmental entity, or other legal entity.

3 (d) "Purchase" means to acquire for consideration, whether  
4 the acquisition is made effective by a transfer of title, of pos-  
5 session, or both.

6 (e) "Purchaser" means a person who purchases a new imported  
7 automobile.

8 (f) "Sale price" means the actual retail sale price for a  
9 new imported automobile, excluding any tax.

10 (g) "Seller" means a person who sells a new imported automo-  
11 bile at retail.

12 Sec. 5. (1) A person who purchases a new imported automo-  
13 bile within this state shall pay an excise tax of 10% of the sale  
14 price.

15 (2) The purchaser shall report to and pay the department the  
16 excise tax imposed under this section within 30 days of the date  
17 of the purchase.

18 (3) The report to the department shall be signed by the pur-  
19 chaser and made on a form prescribed by the department. The  
20 department shall provide reporting forms to all sellers.

21 Sec. 7. The seller shall provide to each purchaser a  
22 reporting form required under section 5 and provided by the  
23 department at the time of the purchase.

24 Sec. 9. (1) The tax imposed by this act shall be adminis-  
25 tered by the department under Act No. 122 of the Public Acts of  
26 1941, being sections 205.1 to 205.31 of the Michigan Compiled

1 Laws. In case of conflict between Act No. 122 of the Public Acts  
2 of 1941 and this act, the provisions of this act apply.

3 (2) The department shall promulgate rules necessary to  
4 implement this act pursuant to the administrative procedures act  
5 of 1969, Act No. 306 of the Public Acts of 1969, being sections  
6 24.201 to 24.328 of the Michigan Compiled Laws.

7 Sec. 11. The excise tax collected by the department pursu-  
8 ant to this act shall be credited to the general fund of the  
9 state.

10 Sec. 13. A purchaser who neglects or refuses to pay the  
11 excise tax pursuant to this act is guilty of a misdemeanor, pun-  
12 ishable by imprisonment for not more than 90 days, or by a fine  
13 of not more than \$1,000.00, or both.