



HOUSE BILL No. 4828

June 3, 1993, Introduced by Reps. Bryant and Jondahl and referred to the Committee on Taxation.

A bill to provide for a tax upon the sale and distribution of cigarettes; to regulate and license manufacturers, wholesalers, secondary wholesalers, vending machine operators, unclassified acquirers, transportation companies, transporters, and retailers of cigarettes; to prescribe the powers and duties of the revenue division and the department of treasury in regard to cigarettes; to provide for the collection and disposition of the tax; to provide for the enforcement of this act; to provide for the appointment of special investigators as peace officers for the enforcement of this act; to prescribe penalties and provide remedies; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 Sec. 2. As used in this act:

2 (a) "Cigarette" means rolls for smoking made of tobacco,
3 irrespective of size or shape and irrespective of tobacco being
4 flavored, adulterated, or mixed with any other ingredient, and
5 having a wrapper or cover made of paper or any other material.
6 Cigarette does not include cigars.

7 (b) "Commissioner" means the revenue commissioner.

8 (c) "Department" means the department of treasury.

9 (d) "Licensee" means a person licensed under this act.

10 (e) "Manufacturer" means a person who manufactures or
11 produces a cigarettes.

12 (f) "Person" means an individual, partnership, fiduciary,
13 association, corporation, or other legal entity.

14 (g) "Place of business" means a place where cigarettes are
15 sold or where cigarettes are brought or kept for the purpose of
16 sale or consumption, including a vessel, airplane, train, or
17 vending machine.

18 (h) "Retailer" means a person other than a transportation
19 company who operates a place of business for the purpose of
20 making sales of cigarettes at retail.

21 (i) "Sale" means a transaction by which the ownership of
22 tangible personal property is transferred for consideration and
23 applies also to use, gifts, exchanges, barter, and theft.

24 (j) "Sale price" means the actual price paid for cigarettes,
25 excluding any tax, to a licensee other than a retailer, secondary
26 wholesaler, or vending machine operator.

1 (k) "Secondary wholesaler" means a person who sells
2 cigarettes for resale, who purchases cigarettes from a wholesaler
3 licensed under this act, and who maintains an established place
4 of business in this state.

5 (l) "Transportation company" means a person operating, or
6 supplying to common carriers, cars, boats, or other vehicles for
7 the transportation or accommodation of passengers and engaged in
8 the sale of cigarettes at retail.

9 (m) "Transporter" means a person importing or transporting
10 into this state, or transporting in this state, cigarettes
11 obtained from a source located outside this state, or from any
12 person not duly licensed under this act. Transporter does not
13 include an interstate commerce carrier licensed by the interstate
14 commerce commission to carry commodities in interstate commerce,
15 or a licensee maintaining a warehouse or place of business out-
16 side of this state if the warehouse or place of business is
17 licensed under this act.

18 (n) "Unclassified acquirer" means a person, except a trans-
19 portation company or a purchaser at retail from a retailer
20 licensed under the general sales tax act, Act No. 167 of the
21 Public Acts of 1933, being sections 205.51 to 205.78 of the
22 Michigan Compiled Laws, who imports or acquires cigarettes from a
23 source other than a wholesaler or secondary wholesaler licensed
24 under this act for use, sale, or distribution.

25 (o) "Vending machine operator" means a person who operates 1
26 or more vending machines for the sale of cigarettes and who

1 purchases cigarettes from a manufacturer, licensed wholesaler, or
2 secondary wholesaler.

3 (p) "Wholesaler" means a person who sells cigarettes, who
4 sells not less than 75% of those cigarettes to others for resale,
5 who purchases all or part of those cigarettes from a manufactur-
6 er, and who maintains a business where a substantial stock of
7 cigarettes and related merchandise is available to retailers for
8 resale. Wholesaler includes a chain of stores retailing ciga-
9 rettes to the consumer if not less than 75% of its stock of ciga-
10 rettes is purchased directly from the manufacturer.

11 Sec. 3. (1) A person shall not purchase, possess, acquire
12 for resale, or sell cigarettes as a manufacturer, wholesaler,
13 secondary wholesaler, vending machine operator, unclassified
14 acquirer, transportation company, or transporter in this state
15 unless licensed to do so.

16 (2) Upon proper application and the payment of the applica-
17 ble fee, the department shall issue a license to each manufactur-
18 er, wholesaler, secondary wholesaler, vending machine operator,
19 unclassified acquirer, transportation company, or transporter.
20 The application shall be on a form prescribed by the department
21 and signed under penalty of perjury. Except for transportation
22 companies, each place of business shall be separately licensed.
23 If a person acts in more than 1 capacity at any 1 place of busi-
24 ness, a license shall be procured for each capacity. Each
25 machine for vending cigarettes shall be considered a place of
26 retail business. Each license or a duplicate copy shall be
27 prominently displayed on the premises covered by the license. In

1 the case of vending machines, a disc or marker furnished by the
2 department showing it to be licensed shall be attached to the
3 machine.

4 (3) The fees for licenses shall be the following:

5 (a) A manufacturer's license, \$100.00.

6 (b) A wholesaler's license, \$100.00.

7 (c) A secondary wholesaler's license, \$25.00.

8 (d) A license for vending machine operators having 50 or
9 more vending machines in operation, \$100.00.

10 (e) A license for vending machine operators having not less
11 than 25 and not more than 49 machines in operation, \$50.00.

12 (f) A license for vending machine operators having not less
13 than 4 machines and not more than 24 machines in operation,
14 \$25.00.

15 (g) A license for vending machine operators having not more
16 than 3 machines, \$5.00 for each machine.

17 (h) An unclassified acquirer's license, a sum determined by
18 the department, but not to exceed \$150.00.

19 (i) A transportation company's license, \$5.00.

20 (j) A transporter's license, \$50.00.

21 (4) If a manufacturer, wholesaler, secondary wholesaler, or
22 vending machine operator maintains more than 1 place of business,
23 the fee for each additional place of business shall be 1/4 of the
24 fee otherwise prescribed in subsection (3). If a person applying
25 for a license under this act as a manufacturer, wholesaler, sec-
26 ondary wholesaler, vending machine operator, unclassified
27 acquirer, transportation company, or transporter had an

1 equivalent license under former Act No. 265 of the Public Acts of
2 1947, on the day prior to the effective date of this act, the
3 license fee shall be waived. A fee, or a part of a fee, shall
4 not be refunded by reason of relinquishment, suspension, or revo-
5 cation of the license, or, except under order of a court of com-
6 petent jurisdiction, for any other reason or cause.

7 (5) A person shall not possess a machine for vending ciga-
8 rettes for a period in excess of 72 hours unless there is a disc
9 or marker attached as provided by this section. This requirement
10 does not apply to a machine not containing cigarettes. If a
11 person possesses a vending machine containing cigarettes that is
12 not properly licensed or identified as required by this section,
13 the department may seal or seize the machine, together with the
14 cigarettes contained in the machine. The provisions of section 9
15 govern the seizure and subsequent disposition of a machine or
16 cigarettes seized.

17 (6) The department may require a licensee under this section
18 to furnish a surety bond with a surety company authorized to do
19 business in this state in an amount the department may fix, con-
20 ditioned upon the payment of the tax provided by this act. The
21 department may also require a licensee under this section to file
22 a financial statement with the department showing all assets and
23 liabilities and any other information the department may pre-
24 scribe, to be filed within 30 days after the date requested.

25 Sec. 4. Each license issued under section 3 shall expire on
26 the June 30 next succeeding the date of issuance unless revoked
27 by the department, unless the business for which the license was

1 issued changes ownership, or unless the holder of the license
2 removes the business from the location covered by the license.
3 Upon expiration of the license, revocation of the license, change
4 of ownership of the business, or removal of the business from the
5 location covered by the license, the holder of the license imme-
6 diately shall return the license to the department. If a busi-
7 ness moves to another location in the state, the license may be
8 reissued for the new location for the balance of the unexpired
9 term without payment of an additional fee. The holder of each
10 license may renew that license for another 1-year period by
11 filing an application accompanied by the applicable fee with the
12 department before the expiration date of that license.

13 Sec. 5. The department may suspend, revoke, or refuse to
14 issue or renew a license issued under this act for failure to
15 comply with this act or for any other good cause. A person whose
16 license is suspended, revoked, or not renewed shall not sell cig-
17 arettes during the period of suspension or revocation, or until
18 the license is renewed. A person aggrieved by the suspension,
19 revocation, or refusal to issue or renew a license may apply to
20 the revenue division of the department for a hearing within 20
21 days after notice of the suspension, revocation, or refusal to
22 issue or renew the license. A hearing and decision shall be had
23 in the same manner provided in section 9.

24 Sec. 6. (1) A manufacturer, wholesaler, secondary wholesal-
25 er, vending machine operator, transportation company, unclassi-
26 fied acquirer, or retailer shall keep a complete and accurate
27 record of cigarettes manufactured, purchased, or otherwise

1 acquired. Except for a manufacturer, the records shall include a
2 written statement containing the name and address of both the
3 seller and the purchaser, the date of delivery, the quantity, the
4 trade name or brand, and the price paid for all cigarettes
5 purchased. A licensee shall keep as part of the records a true
6 copy of all purchase orders, invoices, bills of lading, and other
7 written matter substantiating the purchase or acquisition of all
8 cigarettes. Other records shall be kept by these persons as the
9 department reasonably prescribes.

10 (2) A manufacturer, wholesaler, and secondary wholesaler
11 shall deliver with each sale or consignment of cigarettes a writ-
12 ten statement containing the name or trade name and address of
13 both the seller and the purchaser, the date of delivery, the
14 quantity, and the trade name or brand of cigarettes, correctly
15 itemizing the prices paid for each trade name or brand purchased,
16 and shall retain a duplicate of each statement.

17 (3) A vending machine operator shall keep a detailed record
18 of each vending machine owned for the sale of cigarettes showing
19 the location of the machine, the date of placing the machine on
20 the location, the quantity of each trade name or brand of ciga-
21 rettes placed in the machine, the date when placed there, and the
22 amount of the commission paid or earned on sales through the
23 vending machine. When filling or refilling the vending machine,
24 the operator shall deliver to the owner or tenant occupying the
25 premises where the machine is located a written statement con-
26 taining his or her own name and address, the name and address of
27 the owner or the tenant, the date when the machine was filled,

1 and the quantity of each trade name or brand of cigarettes sold
2 from the machine since the date when cigarettes were last placed
3 in the machine. A person in possession of premises where a vend-
4 ing machine is located shall keep a record of each cigarette sold
5 through the vending machine located on the premises and the
6 amount of commission paid by the person operating the vending
7 machine. The records shall consist of written statements
8 required to be given by each person operating a vending machine
9 for the sale of cigarettes as provided in this section.

10 (4) A licensee under this act shall not issue or accept a
11 written statement or invoice that is known to the licensee to
12 contain a statement or omission that falsely indicates the name
13 of the customer, the type of merchandise, the prices, the dis-
14 counts, or the terms of sale. A person shall not use a device or
15 game of chance to aid, promote, or induce sales or purchases of
16 cigarettes, or give cigarettes in connection with a device or
17 game of chance.

18 (5) All statements and other records required by this sec-
19 tion shall be in a form prescribed by the department and shall be
20 preserved for a period of 3 years and offered for inspection at
21 any time upon oral or written demand by the department or its
22 authorized agent.

23 (6) If cigarettes are received or acquired within this state
24 by a wholesaler, secondary wholesaler, vending machine operator,
25 unclassified acquirer, or retailer, each original manufacturer's
26 shipping case shall bear the name and address of the person
27 making the first purchase or any other markings the department

1 prescribes. If cigarettes are found in a place of business or
2 otherwise in the possession of a wholesaler, secondary wholesal-
3 er, vending machine operator, unclassified acquirer, transporter,
4 or retailer without proper markings on the shipping case, box, or
5 container of the cigarettes and without proper substantiation by
6 invoices or other records as required by this section, the pre-
7 sumption shall be that the cigarettes are kept in violation of
8 this act. If cigarettes are shipped outside the state, the
9 licensee shipping the cigarettes shall cause to be placed on
10 every shipping case or other container in which the cigarettes
11 are shipped the name and address of the consignee to whom the
12 shipment is made outside of the state. The department may
13 require reports from a common carrier who transports cigarettes
14 to a point within this state from another person who, under con-
15 tract, transports cigarettes, or from a bonded warehouseperson or
16 bailee who has cigarettes in his or her possession. A carrier,
17 bailee, warehouseperson, or other person shall permit the exami-
18 nation by the department or its duly authorized agent of any
19 records relating to the shipment of cigarettes into, from, or
20 within the state.

21 (7) A transporter transporting, possessing, or acquiring for
22 the purpose of transporting cigarettes upon a public highway,
23 road, or street of this state shall have in his or her actual
24 possession invoices or bills of lading containing the name and
25 address of both the seller and the purchaser, the date of deliv-
26 ery, the name and address of the transporter, the quantity and
27 trade name or brand of the cigarettes, the price paid for each

1 trade name or brand in the transporter's possession or custody,
2 and the license as prescribed under this act.

3 (8) A transporter desiring to possess or acquire for trans-
4 portation or transport cigarettes upon a highway, road, or street
5 of this state shall obtain a permit from the department authoriz-
6 ing the transporter to possess or acquire for transportation or
7 transport cigarettes and shall have the permit in his or her pos-
8 session while the cigarettes are in his or her possession. This
9 permit shall be obtained for each load being transported and
10 shall contain a statement setting forth the name and address of
11 the purchaser, seller, and transporter, the license number of the
12 purchaser, the date of the delivery of the cigarettes or date of
13 importation into this state, the route to be followed if ciga-
14 rettes are being transported from an out-of-state source, and any
15 other information the department requires. The department shall
16 provide a permit on a form prescribed by it upon the application
17 of a transporter with the remittance of a fee of \$1.00. If a
18 transporter transports cigarettes into this state, the trans-
19 porter shall stop at the nearest state police post within this
20 state on the route authorized by the permit and disclose ciga-
21 rettes in his or her possession and the papers required by this
22 section to be in his or her possession.

23 Sec. 7. (1) A tax of 48% is levied on the sale price of
24 cigarettes sold in this state.

25 (2) On or before the twentieth day of each calendar month,
26 every licensee under section 3 other than a retailer, secondary
27 wholesaler, or vending machine operator shall file a return with

1 the department stating the amount of cigarettes sold and the sale
2 price charged for the cigarettes sold by the licensee for each
3 place of business in the preceding calendar month. The return
4 shall be signed under penalty of perjury. The return shall be on
5 a form prescribed by the department and shall contain or be
6 accompanied by any further information the department requires.

7 (3) At the time of the filing of the return, the licensee
8 shall pay to the department the tax levied in subsection (1) for
9 the cigarettes sold during the calendar month covered by the
10 return, less compensation equal to 1% of the total amount of the
11 tax due to cover the cost of expenses incurred in the administra-
12 tion of this act.

13 (4) Every licensee and retailer who, on the effective date
14 of this act, has on hand for sale any cigarettes upon which a tax
15 has been paid pursuant to former Act No. 265 of the Public Acts
16 of 1947 shall file a complete inventory of those cigarettes
17 within 30 days after the effective date of this act, and shall
18 pay to the department at the time of filing this inventory a tax
19 equal to the difference between the tax imposed in subsection (1)
20 and the tax that has been paid pursuant to former Act No. 265 of
21 the Public Acts of 1947.

22 (5) The department may require the payment of the tax
23 imposed by this act upon the importation or acquisition of
24 cigarettes. Cigarettes for which the tax under this act has once
25 been imposed and that has not been refunded if paid is not
26 subject upon a subsequent sale to the tax imposed by this act.

1 (6) An abatement or refund of the tax provided by this act
2 may be made by the department for causes the department considers
3 expedient. The department shall certify the amount and the state
4 treasurer shall pay that amount out of the proceeds of the tax.

5 (7) A person liable for the tax may reimburse itself by
6 adding to the price of the cigarettes an amount equal to the tax
7 levied under this act.

8 Sec. 8. (1) A person, other than a licensee, who is in con-
9 trol or in possession of cigarettes contrary to this act, or who
10 offers to sell or does sell cigarettes to another for purposes of
11 resale without being licensed to do so under this act, shall be
12 considered to have possession of those cigarettes as an unclassi-
13 fied acquirer and shall be personally liable for the tax imposed
14 by this act, plus a penalty of 100% of the amount of tax due
15 under this act.

16 (2) A person, either as principal or agent, shall not sell
17 or solicit orders for cigarettes to be shipped, mailed, or other-
18 wise sent or brought into the state, to a person not a licensed
19 manufacturer, licensed wholesaler, licensed secondary wholesaler,
20 licensed vending machine operator, licensed unclassified acquir-
21 er, licensed transporter, or licensed transportation company,
22 unless the cigarettes are to be sold to or through a licensed
23 wholesaler.

24 (3) A person who possesses, acquires, transports, or offers
25 for sale contrary to this act cigarettes whose wholesale price is
26 \$50.00 or more is guilty of a felony, punishable by a fine of not

1 more than \$5,000.00 or imprisonment for not more than 5 years, or
2 both.

3 (4) A person who violates a provision of this act for which
4 a criminal punishment is not otherwise provided is guilty of a
5 misdemeanor, punishable by a fine of not more than \$1,000.00 or
6 imprisonment for not more than 1 year, or both.

7 (5) Each violation of this act is a separate offense.

8 (6) The attorney general has concurrent power with the pros-
9 ecuting attorneys of the state to enforce this act. In addition,
10 this act is enforceable by a local health department as described
11 in part 24 of the public health code, Act No. 368 of the Public
12 Acts of 1978, being sections 333.2401 to 333.2498 of the Michigan
13 Compiled Laws, in the same manner as regulations adopted by that
14 local health department.

15 (7) At the request of the department or its duly authorized
16 agent, the state police and all local police authorities shall
17 enforce the provisions of this act.

18 Sec. 9. (1) Cigarettes held, owned, possessed, transported,
19 or in control of a person in violation of this act, and a vending
20 machine, vehicle, and other tangible personal property containing
21 cigarettes in violation of this act are contraband and may be
22 seized and confiscated by the department as provided in this
23 section.

24 (2) If an authorized inspector of the department or a police
25 officer has reasonable cause to believe and does believe that
26 cigarettes are being acquired, possessed, transported, kept,
27 sold, or offered for sale in violation of this act for which the

1 penalty is a felony, the inspector or police officer may
2 investigate or search the vehicle of transportation in which the
3 cigarettes are believed to be located. If cigarettes are found
4 in the vehicle, the cigarettes, vending machine, vehicle, or
5 other tangible personal property containing those cigarettes and
6 any books and records in possession of the person in control or
7 possession of the cigarettes may be seized by the inspector or
8 police officer and are subject to forfeiture as contraband as
9 provided in this section.

10 (3) As soon as possible, but not more than 5 days after sei-
11 zure of any alleged contraband, the person making the seizure
12 shall deliver personally or by registered mail to the last known
13 address of the person from whom the seizure was made, if known,
14 an inventory statement of the property seized, and file a copy
15 with the commissioner. The inventory statement shall also con-
16 tain a notice to the effect that unless demand for hearing as
17 provided in this section is made within 5 days, the designated
18 property is forfeited to the state. If the person from whom the
19 seizure was made is not known, the person making the seizure
20 shall cause a copy of the inventory statement, together with the
21 notice provided for in this subsection, to be published at least
22 3 times in a newspaper of general circulation in the county where
23 the seizure was made. Within 5 days after the date of service of
24 the inventory statement, or in the case of publication, within 5
25 days after the date of last publication, the person from whom the
26 property was seized or any person claiming an interest in the
27 property may file with the commissioner a demand for a hearing

1 before the commissioner or a person designated by the
2 commissioner for a determination as to whether the property was
3 lawfully subject to seizure and forfeiture. The person or per-
4 sons are entitled to appear before the department, to be repre-
5 sented by counsel, and to present testimony and argument. After
6 the hearing, the department shall render its decision in writing
7 and, by order, shall either declare the seized property subject
8 to seizure and forfeiture, or declare the property returnable to
9 the person entitled to possession. If, within 5 days after the
10 date of service of the inventory statement, the person from whom
11 the property was seized or any person claiming an interest in the
12 property does not file with the commissioner a demand for a hear-
13 ing before the department, the property seized shall be consid-
14 ered forfeited to the state by operation of law and shall be dis-
15 posed of by the department as provided in this section. If,
16 after a hearing before the commissioner or person designated by
17 the commissioner, the department determines that the property is
18 lawfully subject to seizure and forfeiture and the person from
19 whom the property was seized or any persons claiming an interest
20 in the property do not take an appeal to the circuit court of the
21 county in which the seizure was made within the time prescribed
22 in this section, the property seized shall be considered for-
23 feited to the state by operation of law and shall be disposed of
24 by the department as provided in this section.

25 (4) If a person is aggrieved by the decision of the depart-
26 ment, that person may appeal to the circuit court of the county
27 where the seizure was made to obtain a judicial determination of

1 the lawfulness of the seizure and forfeiture. The action shall
2 be commenced within 20 days after notice of the department's
3 determination is sent to the person or persons claiming an inter-
4 est in the seized property. The court shall hear the action and
5 determine the issues of fact and law involved in accordance with
6 rules of practice and procedure as in other in rem proceedings.
7 If a judicial determination of the lawfulness of the seizure and
8 forfeiture cannot be made before deterioration of any of the
9 property seized, the court shall order the sale of the property
10 with public notice as determined by the court and require the
11 proceeds to be deposited with the court until the lawfulness of
12 the seizure and forfeiture is finally adjudicated.

13 (5) The department shall destroy all cigarettes that are
14 forfeited under this act. The department may sell all other
15 property forfeited pursuant to this section at public sale.
16 Public notice of the sale shall be given at least 5 days before
17 the day of sale. The proceeds derived from the sale by the
18 department shall be credited to the general fund of the state.

19 (6) The seizure, forfeiture, sale, or destruction of ciga-
20 rettes or other property under this section does not relieve a
21 person from a fine, imprisonment, or other penalty for violation
22 of this act.

23 Sec. 10. The seizure, forfeiture, sale, or destruction of
24 cigarettes or other property, or an action for recovery of
25 amounts due, does not constitute a defense to the person owning
26 or having control or possession of that property from criminal
27 prosecution for an act or omission made or offense committed

1 under this act or from liability to pay penalties provided by
2 this act.

3 Sec. 11. (1) The proceeds derived from the payment of
4 taxes, fees, and penalties provided for under this act and the
5 license fees received by the department shall be deposited with
6 the state treasurer and disbursed only as provided in this
7 section.

8 (2) Five percent of the revenue tax collected from the tax
9 imposed under section 7 shall be credited to the state school aid
10 fund established by section 11 of article IX of the state consti-
11 tution of 1963.

12 (3) Ten percent of the revenue collected from the tax
13 imposed under section 7 shall be deposited in the health and
14 safety fund created in the health and safety fund act, Act
15 No. 264 of the Public Acts of 1987, being sections 141.471 to
16 141.479 of the Michigan Compiled Laws.

17 (4) Eighty percent of the revenue collected from the tax
18 imposed under section 7 shall be deposited in the health and edu-
19 cation fund created in section 12.

20 (5) Five percent of the revenue collected from the tax
21 imposed under section 7 shall be deposited into the respiratory
22 health account hereby created in the state treasury. Funds in
23 the respiratory health account shall be used only for purposes of
24 education, research, prevention, and cure relating to respiratory
25 illness, disease, or condition, and for the promotion of respira-
26 tory health.

1 Sec. 12. (1) The health and education fund is created in
2 the state treasury.

3 (2) The health and education fund shall be distributed
4 according to the following:

5 (a) Twenty-five percent shall be used for substance abuse
6 treatment programs, including tobacco cessation programs.

7 (b) Twenty-five percent shall be used for prenatal and
8 infant health care.

9 (c) Fifty percent shall be used to identify and aid students
10 in grades 1 to 3 who may be at risk of failing to complete high
11 school as measured by the following factors:

12 (i) Academic performance.

13 (ii) Attendance.

14 (iii) Discipline problems.

15 (iv) Other factors affecting school performance, including,
16 but not limited to, residence in a homeless shelter or temporary
17 living arrangement, substance abuse by a parent or guardian,
18 child abuse or neglect, or limited English proficiency.

19 (3) Money in the tax health and education fund that is not
20 distributed by the end of the fiscal year shall remain in the
21 fund for distribution in subsequent years only for purposes
22 described in subsection (2).

23 Sec. 13. (1) The tax imposed by this act shall be adminis-
24 tered by the revenue commissioner pursuant to Act No. 122 of the
25 Public Acts of 1941, being sections 205.1 to 205.31 of the
26 Michigan Compiled Laws, and this act. In case of conflict

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

3 (2) Rules shall be promulgated under this act pursuant to
4 the administrative procedures act of 1969, Act No. 306 of the
5 Public Acts of 1969, being sections 24.201 to 24.328 of the
6 Michigan Compiled Laws.

7 (3) The department shall prescribe forms for use by
8 taxpayers.

9 (4) The tax imposed by this act is in addition to all other
10 taxes for which the taxpayer may be liable.

11 (5) The commissioner may appoint any revenue division
12 employee as a special investigator, who shall be vested with the
13 power to arrest, without warrant, a person violating this act.

14 Sec. 14. Act No. 265 of the Public Acts of 1947, being sec-
15 tions 205.501 to 205.522 of the Michigan Compiled Laws, is
16 repealed.