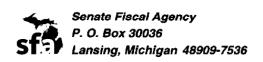
CITY INCOME TAX H.B. 4589: FLOOR ANALYSIS





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House Bill 4589 (as reported without amendment) Sponsor: Representative Harold S. Voorhees

House Committee: Tax Policy Senate Committee: Finance

CONTENT

The bill would amend the City Income Tax Act to provide that beginning January 1, 1995, a city would be prohibited from imposing an income tax unless the city already had an income tax in effect; or, the imposition of an income tax were approved by the city's registered voters.

Proposed MCL 141.502a Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would raise revenue for cities that voted for an income tax, through city income tax collections and revenue sharing payments. The revenue sharing gain incurred by these cities would cause decreased revenue sharing payments for other cities, villages, and townships.

This bill would have no fiscal impact on the State.

Date Completed: 11-7-95 Fiscal Analyst: R. Ross