



**Senate Fiscal Agency**  
P. O. Box 30036  
Lansing, Michigan 48909-7536

---

---

BILL ANALYSIS



**Telephone: (517) 373-5383**  
**Fax: (517) 373-1986**

---

---

House Bill 4854 (as discharged)

Sponsor: Representative Willis Bullard, Jr.

House Committee: Tax Policy

Senate Committee: Economic Development, International Trade, and Regulatory Affairs

### **CONTENT**

The bill would amend the plant rehabilitation and industrial development Act to extend indefinitely a provision in effect for fiscal year (FY) 1994-95 that allows intermediate school districts that do not receive State aid for special or vocational education to keep their share of the local industrial facilities tax revenue instead of sending it to the State to be deposited into the School Aid Fund.

The Act requires an intermediate school district (ISD) that receives State aid for vocational-technical and special education programs under the State School Aid Act to deposit all or part of the industrial facilities tax revenue it receives into the State School Aid Fund (SAF). If the sum of any commercial facilities taxes and industrial facilities taxes paid to the SAF that would otherwise be disbursed to the local or intermediate school district exceeds the amount of school aid that the district receives, the Treasury Department is required to reimburse the district the difference between the sum of the taxes paid to the SAF and the amount of school aid that the district receives. These provisions, however, do not apply to taxes levied in 1994 for mills allocated to an ISD for operating purposes as provided under the Property Tax Limitation Act, or to an ISD that is not receiving school aid for vocational-technical programs or special education programs. The bill would delete the "1994" reference.

MCL 207.561

Legislative Analyst: L. Burghardt

### **FISCAL IMPACT**

Compared with FY 1994-95, this bill would not result in any new cost to the State in FY 1995-96. The intermediate school districts that would be allowed to continue to retain their industrial facility tax revenue, under this bill, are Alpena-Montmorency-Alcona ISD, Bay-Arenac ISD, Berrien ISD, Charlevoix-Emmet ISD, Cheboygan-Otsego-Presq. Isle ISD, Eastern UP ISD, Traverse Bay ISD, Huron ISD, Ingham ISD, Iosco ISD, Kalamazoo Valley ISD, Kent ISD, Livingston ISD, Macomb ISD, Manistee ISD, Mason-Lake ISD, Midland ISD, Monroe ISD, Oakland ISD, Ottawa ISD, C.O.O.R. ISD, St. Clair ISD, Washtenaw ISD.

Date Completed: 6-15-95

Fiscal Analyst: J. Wortley

floor\hb4854

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.