



# SENATE BILL No. 497

May 3, 1995, Introduced by Senator GAST and referred to the Committee on Appropriations.

A bill to amend sections 12 and 13 of Act No. 140 of the Public Acts of 1971, entitled as amended "State revenue sharing act of 1971," section 12 as amended by Act No. 299 of the Public Acts of 1994 and section 13 as amended by Act No. 68 of the Public Acts of 1992, being sections 141.912 and 141.913 of the Michigan Compiled Laws.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Sections 12 and 13 of Act No. 140 of the Public  
2 Acts of 1971, section 12 as amended by Act No. 299 of the Public  
3 Acts of 1994 and section 13 as amended by Act No. 68 of the  
4 Public Acts of 1992, being sections 141.912 and 141.913 of the  
5 Michigan Compiled Laws, are amended to read as follows:

6 Sec. 12. (1) The department of management and budget shall  
7 cause to be paid to each city, village, and township its share,

1 computed on a per capita basis, during each August, November,  
2 February, and May, of the collections from the sales tax for the  
3 quarter periods ending the prior June 30, September 30, December  
4 31, and March 31 that are available for distribution to cities,  
5 villages, and townships.

6 (2) During each calendar year, ~~after 1992,~~ the department  
7 of management and budget shall cause to be advanced and paid in  
8 June to cities, villages, and townships on a per capita basis  
9 \$9,500,000.00 of the amount that would otherwise be paid in  
10 August pursuant to subsection (1).

11 (3) ~~During June of each calendar year before 1993, the~~  
12 ~~department of management and budget shall cause to be paid on a~~  
13 ~~per capita basis \$9,500,000.00 of the intangibles tax collections~~  
14 ~~to each city, village, or township levying at least 1 mill local~~  
15 ~~property tax in the preceding calendar year.~~ During October of  
16 each calendar year, ~~after 1992,~~ the department of management  
17 and budget shall cause to be paid on a per capita basis  
18 \$9,500,000.00 of the intangibles tax collections to each city,  
19 village, or township levying at least 1 mill local property tax  
20 in the preceding calendar year. ~~For the state fiscal year~~  
21 ~~beginning October 1, 1993, no payments shall be made under this~~  
22 ~~subsection.~~ For the state fiscal ~~year~~ YEARS beginning October  
23 1, 1994 AND OCTOBER 1, 1995, no payments shall be made under this  
24 subsection.

25 Sec. 13. (1) Except as otherwise provided in this section,  
26 the department of management and budget shall cause to be paid to  
27 each city, village, and township its share, computed in

1 accordance with the tax effort formula, of the following  
2 revenues:

3 (a) During each August, November, February, and May, the  
4 collections from the state income tax for the quarter periods  
5 ending the prior June 30, September 30, December 31, and March 31  
6 that are available for distribution to cities, villages, and  
7 townships under the income tax act of 1967, Act No. 281 of the  
8 Public Acts of 1967, being sections 206.1 to 206.532 of the  
9 Michigan Compiled Laws.

10 ~~(b) During each June the amount of the collections from the~~  
11 ~~single business tax that is available for distribution to cities,~~  
12 ~~villages, and townships under section 136(4) of the single busi-~~  
13 ~~ness tax act, Act No. 228 of the Public Acts of 1975, being sec-~~  
14 ~~tion 208.136 of the Michigan Compiled Laws.~~

15 (B) ~~(c)~~ The amount of the collections from the single  
16 business tax available for distribution to cities, villages, and  
17 townships under section ~~136(2) and (3)~~ 136 of the single busi-  
18 ness tax act, ACT NO. 228 OF THE PUBLIC ACTS OF 1975, BEING  
19 SECTION 208.136 OF THE MICHIGAN COMPILED LAWS.

20 (2) The amount of collections ~~available for distribution to~~  
21 ~~cities, villages, and townships under subsection (1)(a) in August~~  
22 ~~1992 after the application of section 481(7) of the income tax~~  
23 ~~act of 1967, Act No. 281 of the Public Acts of 1967, being sec-~~  
24 ~~tion 206.481 of the Michigan Compiled Laws, shall not be distrib-~~  
25 ~~uted but shall lapse to the general fund at the close of the~~  
26 ~~fiscal year ending September 30, 1992. For state fiscal years~~  
27 ~~beginning after September 30, 1992, the amount of collections~~ OF

1 THE STATE INCOME TAX otherwise available for distribution to  
2 cities, villages, and townships in November, February, and May,  
3 computed in accordance with the tax effort formula, shall be  
4 increased by \$22,600,000.00. ~~For state fiscal years beginning~~  
5 ~~after September 30, 1992, the~~ THE amount of collections other-  
6 wise available for distribution to cities, villages, and town-  
7 ships in August, computed in accordance with the tax effort for-  
8 mula, shall be decreased by \$67,800,000.00.

9 Section 2. This amendatory act shall take effect July 1,  
10 1995.

11 Section 3. This amendatory act shall not take effect unless  
12 Senate Bill No. 498  
13 of the 88th Legislature is enacted into law.