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## AERONAUTICS FUND EARMARKING

**House Bill 5204**

**Sponsor: Rep. Mike Green**

**Committee: Tax Policy**

**Complete to 5-15-98**

### **A SUMMARY OF HOUSE BILL 5204 AS INTRODUCED 9-30-97**

The bill would amend the General Sales Tax Act to earmark to the Aeronautics Fund 25 percent of the collections of the first 4 cents of the sales tax imposed directly or indirectly on fuels sold to propel aircraft and on the sale of new aircraft. (This would refer to collections remaining after the allocations and distributions for revenue sharing and schools.) The new revenue would have to be used for airport capital improvements and the operation and maintenance of the civil air patrol. The capital improvements would include, but not be limited to, safety, environmental preservation, infrastructure, and economic development. The earmarking would begin with the fiscal year ending September 30, 1998.

(Currently, of the first 4 cents of the sales tax, 15 percent of revenue is dedicated to revenue sharing for local governments and 60 percent to schools. The remaining 25 percent of revenue goes to the general fund, with the exception that 27.9 percent of the remaining 25 percent of sales tax collections from the sale of motor vehicle fuel, motor vehicles, and motor vehicle parts and accessories is dedicated to the Comprehensive Transportation Fund.)

MCL 205.75

House Bill 5204 (5-15-98)

Analyst: C. Couch

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.