

SENATE SUBSTITUTE FOR

HOUSE BILL NO. 5989

Page 1 as amended December 9, 1998 (1 of 2)

A bill to amend 1971 PA 140, entitled
"State revenue sharing act of 1971,"
by amending sections 1, 11, 12a, and 13 (MCL 141.901, 141.911,
141.912a, and 141.913), section 11 as amended by 1996 PA 468
and
section 12a as added and section 13 as amended by 1996 PA 342,
and by adding section 13d; and to repeal 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 "GLENN STEIL state revenue sharing act of 1971 — ".

SEC. 7. (1) A CITY, VILLAGE, OR TOWNSHIP MAY CONTRACT
WITH THE SECRETARY OF STATE PR THE UNITED STATES BUREAU OF
THE CENSUS TO HAVE CONDUCTED A SPECIAL CENSUS OF ITS
POPULATION. THE ENTIRE COST OF THE CENSUS SHALL BE BORNE BY

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THE CITY, VILLAGE, OR TOWNSHIP. THE SPECIAL CENSUS SHALL PROVIDE FOR SEPARATE IDENTIFICATION BY INSTITUTION OF WARDS, PATIENTS, OR CONVICTS IN TAX SUPPORTED INSTITUTIONS IN ACCORDANCE WITH DEFINITIONS USED BY THE UNITED STATES BUREAU OF THE CENSUS IN THE ENUMERATION OF THE PRECEDING STATEWIDE FEDERAL CENSUS. THE RESULTS OF THE SPECIAL CENSUS SHALL BE CERTIFIED TO THE DEPARTMENT OF MANAGEMENT AND BUDGET BY THE SECRETARY OF STATE.

(2) THE RESULTS OF THE SPECIAL CENSUS AS CERTIFIED IN SUBSECTION (1) SHALL BE UTILIZED FOR THE PURPOSE OF MAKING DISTRIBUTIONS UNDER SECTION 14A STARTING ON THE JULY 1 NEXT FOLLOWING THE DATE OF CERTIFICATION OF THE RESULTS. ONLY 1 SPECIAL CENSUS MAY BE UTILIZED BETWEEN 2 STATEWIDE FEDERAL CENSUSES. THE ENUMERATION DATE OF A SPECIAL CENSUS UTILIZED UNDER THIS ACT SHALL NOT BE LESS THAN 3 YEARS FROM THE ENUMERATION DATE OF A REGULAR STATEWIDE FEDERAL DECENNIAL CENSUS.

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(3) A CITY, VILLAGE, OR TOWNSHIP THAT ON THE
ENUMERATION DATE OF A SPECIAL CENSUS IS DETERMINED TO
HAVE AN INCREASE OF POPULATION OF 10% OR
MORE OVER ITS POPULATION AS DETERMINED
BY THE LAST PRECEDING STATEWIDE FEDERAL
CENSUS SHALL RECEIVE ITS SHARE OF
REVENUES DISTRIBUTED UNDER SECTION 14A
BASED ON ITS POPULATION INCREASES WHICH
EXCEEDS THE ESTIMATED STATE GROWTH RATE.
ESTIMATED STATE GROWTH RATE MEANS THE
ESTIMATE DETERMINED BY THE DEPARTMENT OF
MANAGEMENT AND BUDGET AS OF THE
ENUMERATION DATE OF A SPECIAL CENSUS.

- 3 Sec. 11. (1) For state fiscal years before the 1996-
1997
- 4 state fiscal year, the department of management and budget
shall
- 5 cause to be paid during each August, November, February, and
May,
- 6 to counties on a per capita basis the collections from the
state
- 7 income tax as certified by the department of treasury for
the
- 8 quarter periods ending the prior June 30, September 30,
December

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1 31, and March 31 that are available for distribution to and
2 retention by counties.

3 (2) For state fiscal years beginning after September
30,

4 1992 and ending before October 1, 1996, the collections from
the

5 state income tax otherwise available for distribution to
counties

6 in November for the quarter period ending the prior
September 30

7 shall be increased by \$35,900,000.00 and the collections
from the

8 state income tax otherwise available for distribution to
counties

9 in August for the quarter period ending the prior June 30
shall

10 be decreased by \$35,900,000.00.

11 (3) For THE 1996-1997 AND 1997-1998 state fiscal years,

12 ~~after the 1995-1996 state fiscal year and before the 1998-~~
~~1999~~

13 ~~state fiscal year,~~ the department of treasury shall cause
to be

14 paid to counties on a per capita basis an amount equal to
24.5%

15 of the difference between 21.3% of the sales tax collections
at a

16 rate of 4% in the 12-month period ending June 30 of the
state

17 fiscal year in which the payments are made and the total

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- distri-
- 18 bution for the state fiscal year under section 12a. ~~For~~
state
- 19 ~~fiscal years after the 1997-1998 state fiscal year, the~~
~~depart-~~
- 20 ~~ment of treasury shall cause to be paid to each county the~~
same
- 21 ~~amount that was paid to that county under this section~~
~~during the~~
- 22 ~~immediately preceding state fiscal year from 24.5% of the~~
~~differ-~~
- 23 ~~ence between 21.3% of the sales tax collections at a rate of~~
4%
- 24 ~~in the 12-month period ending June 30 of the state fiscal~~
year in
- 25 ~~which the payments are made and the total distribution for~~
the
- 26 ~~state fiscal year under section 12a. Each state fiscal year~~
- 27 ~~after the 1997-1998 state fiscal year, the amount by which~~
the

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[House amendments (December 10, 1998) shown in brackets]

- 1 ~~total collections available for distribution under this~~
2 ~~subsection exceed the amount distributed under this~~
3 ~~subsection~~
4 ~~shall be deposited in the revenue sharing reserve fund~~
5 ~~created in~~
6 ~~subsection (5).~~ SUBJECT TO SECTION 13D, FOR THE 1998-1999
7 THROUGH 2005-2006 STATE FISCAL YEARS AND FOR THE PERIOD OF
8 OCTOBER 1, 2006 THROUGH JUNE 30, 2007, THE DEPARTMENT OF
9 TREASURY
10 SHALL CAUSE TO BE PAID TO COUNTIES BOTH OF THE FOLLOWING:
11 (A) AN AMOUNT EQUAL TO THE AMOUNT THE COUNTY WAS
12 ELIGIBLE TO
13 RECEIVE UNDER SECTION 12A IN THE 1997-1998 STATE FISCAL
14 YEAR.
15 (B) AN AMOUNT EQUAL TO 25.06% OF 21.3% OF THE SALES TAX
16 COL-
17 LECTIONS AT A RATE OF 4% IN THE 12-MONTH PERIOD ENDING JUNE
18 30 OF
19 THE STATE FISCAL YEAR IN WHICH THE PAYMENTS ARE MADE MINUS
20 THE
21 AMOUNT DETERMINED UNDER SUBDIVISION (A) WHICH SHALL BE
22 DISTRIB-
23 UTED ON A PER CAPITA BASIS. IF THE AMOUNT APPROPRIATED UNDER
24 THIS SECTION TO COUNTIES IS LESS THAN 25.06% OF 21.3% OF THE
25 SALES TAX RATE OF 4%, ANY REDUCTION MADE NECESSARY BY THIS
26 APPROPRIATION IN DISTRIBUTIONS TO COUNTIES SHALL FIRST BE
27 APPLIED TO THE DISTRIBUTION UNDER THIS SUBDIVISION.

[(4) AFTER JUNE 30, 2007, 25.06% OF 21.3% OF THE SALES
TAX COLLECTIONS AT A RATE OF 4% SHALL BE DISTRIBUTED TO
COUNTIES AS PROVIDED BY LAW.]

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15 [(5)] The payments under subsection (3) shall be made
16 from
17 revenues collected during the state fiscal year in which the
18 pay-
19 ments are made and shall be made during each October,
20 December,
21 February, April, June, and August. Payments shall be based
22 on
23 collections from the sales tax at a rate of 4% in the 2-
24 month
25 period ending the prior August 31, October 31, December 31,
26 February 28, April 30, and June 30, ~~less~~ AND FOR THE 1996-
27 1997
28 AND 1997-1998 STATE FISCAL YEARS ONLY THE PAYMENTS SHALL BE
29 REDUCED BY 1/6 of the total distribution for the state
30 fiscal
31 year under section 12a. For state fiscal years after the
32 1995-1996 state fiscal year, the collections from the sales
33 tax
34 otherwise available for distribution to counties under
35 subsection
36 (3) in December shall be increased by \$17,000,000.00 and the

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1 collections from the sales tax otherwise available for
2 distribution to counties under subsection (3) in April shall
be
3 decreased by \$17,000,000.00.

4 ~~(5) The revenue sharing reserve fund is created as a~~
~~sepa-~~
5 ~~rate fund in the general fund.~~

6 Sec. 12a. (1) For state fiscal years before the 1998-
1999

7 state fiscal year, the department of treasury shall
calculate the

8 amount of payment to be made to a city, village, or township
by

9 multiplying the amount of state equalized value of tax
exempt

10 inventory property as certified by the department of
treasury

11 under FORMER section 132 of the single business tax act,
~~Act~~

12 ~~No. 228 of the Public Acts of 1975, being section 208.132 of~~
~~the~~

13 ~~Michigan Compiled Laws~~ 1975 PA 228, times the property tax
rate

14 for each taxing unit as certified each year to the
department of

15 treasury for purposes of this act.

16 (2) For state fiscal years before the 1998-1999 state
fiscal

17 year, the department of treasury shall pay to each county

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- each
- 18 year, following the year the amount was calculated, an
amount
- 19 equal to the product of the state equalized value of
inventory as
- 20 certified by the department of treasury under FORMER section
132
- 21 of ~~Act No. 228 of the Public Acts of 1975~~ THE SINGLE
BUSINESS
- 22 TAX ACT, 1975 PA 228, times the county property tax rate for
the
- 23 county as reported each year to the department of treasury.
- 24 (3) For state fiscal years after the 1995-1996 state
fiscal
- 25 year IN WHICH PAYMENT IS MADE UNDER THIS SECTION, the
payment
- 26 under this section shall be from the collections, exclusive
of
- 27 the amount designated for assistance to townships, cities,
and

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- 1 villages under section 10 of article IX of the state
constitution
- 2 of 1963, of the sales tax levied at a rate of 4%.
- 3 (4) Payments made under this section, and the
allocation and
- 4 appropriation of amounts necessary to make the payments
under
- 5 this section, shall include interest which shall accrue on
the
- 6 unpaid balance. Interest shall accrue at the rate
determined
- 7 under section 13b.
- 8 (5) A payment required to be made under this section
shall
- 9 not be delayed so as to cause interest to accrue pursuant to
sub-
- 10 section (4) unless the delay in any payment is authorized by
a
- 11 written directive issued and signed by the governor that
conforms
- 12 to and is subject to section 13b(2) and (3).
- 13 (6) Amounts required to be paid pursuant to this
section
- 14 that are subject to an unavoidable delay of a de minimis
period
- 15 or that are withheld or set off pursuant to law in the
settlement
- 16 or adjustment of an obligation or debt due to this state are
not

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- 17 subject to subsections (4) and (5).
- 18 (7) ~~The~~ FOR STATE FISCAL YEARS BEFORE THE 1998-1999
STATE
- 19 FISCAL YEAR, THE treasurer of any city, village, township,
or
- 20 county who collects money for an authority that levies
property
- 21 taxes, shall pay an eligible authority its proportionate
share of
- 22 the reimbursements under this section. The proportionate
share
- 23 is the percentage that the property taxes collected by the
- 24 authority are to the property taxes of the assessing unit.
The
- 25 property taxes of the authorities may be added to the
millages
- 26 used to determine payments under this section. For an
authority
- 27 to be eligible for compensation under this section, that

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1 authority shall have an authorization to have taxes levied
for

2 its use as provided by law. School districts, intermediate

3 school districts, community college districts, vocational
educa-

4 tion districts, and special education districts are not
included

5 under this section.

6 (8) SUBJECT TO SECTION 13D, FOR THE 1998-1999 THROUGH

7 2005-2006 STATE FISCAL YEARS AND FOR THE PERIOD OF OCTOBER
1,

8 2002 THROUGH JUNE 30, 2007, THE TREASURER OF ANY CITY,
VILLAGE,

9 TOWNSHIP, OR COUNTY WHO COLLECTS MONEY FOR AN AUTHORITY THAT

10 LEVIES PROPERTY TAXES SHALL PAY AN ELIGIBLE AUTHORITY, FROM
THE

11 PAYMENTS RECEIVED UNDER THIS ACT, THE AMOUNT RECEIVED BY THE
ELI-

12 GIBLE AUTHORITY UNDER SUBSECTION (7) FOR THE 1997-1998 STATE

13 FISCAL YEAR. SCHOOL DISTRICTS, INTERMEDIATE SCHOOL
DISTRICTS,

14 COMMUNITY COLLEGE DISTRICTS, VOCATIONAL EDUCATION DISTRICTS,
AND

15 SPECIAL EDUCATION DISTRICTS ARE NOT INCLUDED UNDER THIS
SECTION.

16 (9) ~~-(8)-~~ The state treasurer may make a disbursement
for a

17 payment under this section that has been delayed in advance
of

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- 18 the date the delayed payment is expected to be paid.
- 19 (10) ~~-(9)-~~ Payments under this section to cities and
vil-
- 20 lages shall be made on or before October 31 and payments
under
- 21 this section to counties and townships shall be made on or
before
- 22 February 28.
- 23 ~~-(10) For state fiscal years after the 1997-1998 state~~
- 24 ~~fiscal year, the department of treasury shall cause to be~~
~~paid to~~
- 25 ~~each city, village, township, and county an amount equal to~~
~~the~~
- 26 ~~payment made under this section to that city, village,~~
~~township,~~

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1 ~~or county under this section for the immediately preceding~~
state

2 ~~fiscal year.~~

3 Sec. 13. (1) This subsection and subsection (2) apply
to

4 distributions to cities, villages, and townships during the
state

5 fiscal years before the 1996-1997 state fiscal year of
collec-

6 tions from the state income tax and single business tax.
Except

7 as otherwise provided in subsection (2), the department of
treas-

8 sury shall cause to be paid to each city, village, and
township

9 its share, computed in accordance with the tax effort
formula, of

10 the following revenues:

11 (a) During each August, November, February, and May,
the

12 collections from the state income tax for the quarter
periods

13 ending the prior June 30, September 30, December 31, and
March 31

14 that are available for distribution to cities, villages, and

15 townships under the income tax act of 1967, ~~Act No. 281 of~~
the

16 ~~Public Acts of 1967, being sections 206.1 to 206.532 of the~~

17 ~~Michigan Compiled Laws~~ 1967 PA 281, MCL 206.1 TO 206.532.

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- 18 (b) The amount of the collections from the single
business
- 19 tax available for distribution to cities, villages, and
townships
- 20 under FORMER section 136 of the single business tax act,
~~Act~~
- 21 ~~No. 228 of the Public Acts of 1975, being section 208.136 of~~
~~the~~
- 22 ~~Michigan Compiled Laws~~ 1975 PA 228.
- 23 (2) The amount of collections of the state income tax
other-
- 24 wise available for distribution to cities, villages, and
town-
- 25 ships in November, February, and May, computed in accordance
with
- 26 the tax effort formula, shall be increased by
\$22,600,000.00.
- 27 The amount of collections otherwise available for
distribution to

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1 cities, villages, and townships in August, computed in
accordance

2 with the tax effort formula, shall be decreased by

3 \$67,800,000.00.

4 (3) This subsection applies to distributions to cities,
vil-

5 lages, and townships for the 1996-1997 state fiscal year.
The

6 department shall cause to be paid in accordance with the tax

7 effort formula an amount equal to 75.5% of the difference
between

8 21.3% of the sales tax collections at a rate of 4% in the

9 12-month period ending June 30 of the state fiscal year in
which

10 the payments are made and the total distribution for the
state

11 fiscal year under section 12a.

12 (4) The department of treasury shall cause to be paid
during

13 the 1997-1998 state fiscal year an amount equal to 75.5% of
the

14 difference between 21.3% of the sales tax collections at a
rate

15 of 4% in the 12-month period ending June 30 of the state
fiscal

16 year in which the payments are made and the total
distribution

17 for the state fiscal year under section 12a, both of the

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18 following:

19 (a) To each city, village, and township, the amount of
col-

20 lections distributed under subsection (3) to cities,
villages,

21 and townships for the 1996-1997 state fiscal year or its pro
rata

22 share of the collections if the collections are less than
the

23 amount of collections distributed under subsection (3) for
the

24 1996-1997 state fiscal year. A city's, village's, or
township's

25 share of revenues under this subdivision shall be computed
using

26 the tax effort formula.

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1 (b) To each city, village, and township its share of
the
2 collections to the extent the total collections available
for
3 distribution under this subsection exceed the amount
distributed
4 to cities, villages, and townships under subdivision (a) for
the
5 fiscal year. A city's, village's, or township's share of
reve-
6 nues under this subdivision shall be computed on a per
capita
7 basis.

8 (5) ~~For~~ SUBJECT TO SECTION 13D, FOR THE 1998-1999
THROUGH
9 2005-2006 state fiscal years ~~after the 1997-1998 state~~
~~fiscal~~
10 ~~year~~ AND FOR THE PERIOD OF OCTOBER 1, 2006 THROUGH JUNE 30,
11 2007, the department of treasury shall cause DISTRIBUTIONS
DETER-
12 MINED UNDER SUBSECTIONS (6) TO (13) to be paid to each city,
vil-
13 lage, and township from an amount equal to ~~75.5%~~ 74.94% of
~~the~~
14 ~~difference between~~ 21.3% of the sales tax collections at a
rate
15 of 4% in the 12-month period ending June 30 of the state
fiscal

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- 16 year in which the payments are made. [AFTER JUNE 30, 2007,
74.94% OF 21.3% OF SALES TAX COLLECTIONS AT A RATE OF 4%
SHALL BE DISTRIBUTED TO CITIES, VILLAGES, AND TOWNSHIPS AS
PROVIDED BY LAW.] ~~and the total distribution~~
- 17 ~~for the state fiscal year under section 12a, the amount~~
~~distrib-~~
- 18 ~~uted to the city, village, or township under this section~~
~~during~~
- 19 ~~the immediately preceding state fiscal year or its pro rata~~
~~share~~
- 20 ~~of the collections if the collections are less than the~~
~~amount of~~
- 21 ~~collections that were available for distribution in the~~
~~immedi-~~
- 22 ~~ately preceding state fiscal year. Each state fiscal year~~
~~after~~
- 23 ~~the 1997-1998 state fiscal year, the amount by which the~~
~~total~~
- 24 ~~collections available for distribution under this subsection~~
- 25 ~~exceed the amount distributed under this subsection shall be~~
- 26 ~~deposited in the revenue sharing reserve created in section~~
- 27 ~~11(5).~~

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- 1 (6) ~~The department of treasury shall pay to counties,~~
2 ~~cities, townships, and villages by October 31, 1995, \$2.00~~
 ~~per~~
3 ~~parcel for the administrative costs associated with the~~
 ~~process-~~
4 ~~ing of homestead affidavits filed in those counties, cities,~~
5 ~~townships, and villages before December 1, 1994-~~ SUBJECT TO
 SEC-
6 TION 13D, FOR THE 1998-1999 THROUGH 2005-2006 STATE FISCAL
 YEARS
7 AND FOR THE PERIOD OF OCTOBER 1, 2006 THROUGH JUNE 30, 2007
 AND
8 EXCEPT AS PROVIDED IN SUBSECTION (15), THE DEPARTMENT OF
 TREASURY
9 SHALL CAUSE TO BE PAID \$333,900,000.00 TO A CITY WITH A
 POPULA-
10 TION OF 750,000 OR MORE AS THE TOTAL COMBINED DISTRIBUTION
 UNDER
11 THIS ACT AND SECTION 10 OF ARTICLE IX OF THE STATE
 CONSTITUTION
12 OF 1963 AS ANNUALIZED FOR ANY PERIOD OF LESS THAN 12 MONTHS
 TO
13 THAT CITY.
14 (7) DISTRIBUTIONS UNDER SUBSECTIONS (8) TO (13) TO
 CITIES,
15 VILLAGES, AND TOWNSHIPS WITH POPULATIONS OF LESS THAN
 750,000
16 SHALL BE MADE FROM THE AMOUNT AVAILABLE FOR DISTRIBUTION
 UNDER

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17 THIS SECTION THAT REMAINS AFTER THE DISTRIBUTION UNDER
SUBSECTION

18 (6) IS MADE.

19 (8) SUBJECT TO SECTION 13D, FOR THE 1998-1999 THROUGH
20 2005-2006 STATE FISCAL YEARS AND FOR THE PERIOD OF OCTOBER
1,

21 2006 THROUGH JUNE 30, 2007, FOR CITIES, VILLAGES, AND
TOWNSHIPS

22 WITH POPULATIONS OF LESS THAN 750,000, SUBJECT TO THE
LIMITATIONS

23 UNDER THIS SECTION, A TAXABLE VALUE PAYMENT SHALL BE MADE TO
EACH

24 CITY, VILLAGE, AND TOWNSHIP DETERMINED AS FOLLOWS:

25 (A) DETERMINE THE PER CAPITA TAXABLE VALUE FOR EACH
CITY,

26 VILLAGE, AND TOWNSHIP BY DIVIDING THE TAXABLE VALUE OF THAT
CITY,

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- 1 VILLAGE, OR TOWNSHIP BY THE POPULATION OF THAT CITY,
VILLAGE, OR
- 2 TOWNSHIP.
- 3 (B) DETERMINE THE STATEWIDE PER CAPITA TAXABLE VALUE BY
- 4 DIVIDING THE TOTAL TAXABLE VALUE OF ALL CITIES, VILLAGES,
AND
- 5 TOWNSHIPS BY THE TOTAL POPULATION OF ALL CITIES, VILLAGES,
AND
- 6 TOWNSHIPS.
- 7 (C) DETERMINE THE PER CAPITA TAXABLE VALUE RATIO FOR
EACH
- 8 CITY, VILLAGE, AND TOWNSHIP BY DIVIDING THE STATEWIDE PER
CAPITA
- 9 TAXABLE VALUE BY THE PER CAPITA TAXABLE VALUE FOR THAT CITY,
VIL-
- 10 LAGE, OR TOWNSHIP.
- 11 (D) DETERMINE THE ADJUSTED TAXABLE VALUE POPULATION FOR
EACH
- 12 CITY, VILLAGE, AND TOWNSHIP BY MULTIPLYING THE PER CAPITA
TAXABLE
- 13 VALUE RATIO AS DETERMINED UNDER SUBDIVISION (C) FOR THAT
CITY,
- 14 VILLAGE, OR TOWNSHIP BY THE POPULATION OF THAT CITY,
VILLAGE, OR
- 15 TOWNSHIP.
- 16 (E) DETERMINE THE TOTAL STATEWIDE ADJUSTED TAXABLE
VALUE
- 17 POPULATION WHICH IS THE SUM OF ALL ADJUSTED TAXABLE VALUE
POPULA-

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- 18 TION FOR ALL CITIES, VILLAGES, AND TOWNSHIPS.
- 19 (F) DETERMINE THE TAXABLE VALUE PAYMENT RATE BY
DIVIDING
- 20 74.94% OF 21.3% OF THE SALES TAX COLLECTIONS AT A RATE OF 4%
IN
- 21 THE 12-MONTH PERIOD ENDING JUNE 30 OF THE STATE FISCAL YEAR
IN
- 22 WHICH THE PAYMENTS UNDER THIS SUBSECTION ARE MADE BY 3, AND
- 23 DIVIDING THAT RESULT BY THE TOTAL STATEWIDE ADJUSTED TAXABLE
- 24 VALUE POPULATION AS DETERMINED UNDER SUBDIVISION (E).
- 25 (G) DETERMINE THE TAXABLE VALUE PAYMENT FOR EACH CITY,
VIL-
- 26 LAGE, AND TOWNSHIP BY MULTIPLYING THE RESULT UNDER

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1 SUBDIVISION (F) BY THE ADJUSTED TAXABLE VALUE POPULATION FOR
THAT

2 CITY, VILLAGE, OR TOWNSHIP.

3 (9) SUBJECT TO SECTION 13D, FOR THE 1998-1999 THROUGH

4 2005-2006 STATE FISCAL YEARS AND FOR THE PERIOD OF OCTOBER
1,

5 2006 THROUGH JUNE 30, 2007, SUBJECT TO THE LIMITATIONS UNDER
THIS

6 SECTION AND EXCEPT AS PROVIDED IN SUBSECTION (14), A UNIT
TYPE

7 POPULATION PAYMENT SHALL BE MADE TO EACH CITY, VILLAGE, AND
TOWN-

8 SHIP WITH A POPULATION OF LESS THAN 750,000 DETERMINED AS

9 FOLLOWS:

10 (A) DETERMINE THE UNIT TYPE POPULATION WEIGHT FACTOR
FOR

11 EACH CITY, VILLAGE, AND TOWNSHIP AS FOLLOWS:

12 (i) FOR A TOWNSHIP WITH A POPULATION OF 5,000 OR LESS,
THE

13 UNIT TYPE POPULATION WEIGHT FACTOR IS 1.0.

14 (ii) FOR A TOWNSHIP WITH A POPULATION OF MORE THAN
5,000 BUT

15 LESS THAN 10,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
1.2.

16 (iii) FOR A TOWNSHIP WITH A POPULATION OF MORE THAN
10,000

17 BUT LESS THAN 20,001, THE UNIT TYPE POPULATION WEIGHT FACTOR
IS

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18 1.44.

19 (iv) FOR A TOWNSHIP WITH A POPULATION OF MORE THAN
20,000

20 BUT LESS THAN 40,001, THE UNIT TYPE POPULATION WEIGHT FACTOR
IS

21 1.73.

22 (v) FOR A TOWNSHIP WITH A POPULATION OF MORE THAN
40,000 BUT

23 LESS THAN 80,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS

24 2.07.

25 (vi) FOR A TOWNSHIP WITH A POPULATION OF MORE THAN
80,000,

26 THE UNIT TYPE POPULATION WEIGHT FACTOR IS 2.49.

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1 (vii) FOR A VILLAGE WITH A POPULATION OF 5,000 OR LESS,
THE

2 UNIT TYPE POPULATION WEIGHT FACTOR IS 1.5.

3 (viii) FOR A VILLAGE WITH A POPULATION OF MORE THAN
5,000

4 BUT LESS THAN 10,001, THE UNIT TYPE POPULATION WEIGHT FACTOR
IS

5 1.8.

6 (ix) FOR A VILLAGE WITH A POPULATION OF MORE THAN
10,000,

7 THE UNIT TYPE POPULATION WEIGHT FACTOR IS 2.16.

8 (x) FOR A CITY WITH A POPULATION OF 5,000 OR LESS, THE
UNIT

9 TYPE POPULATION WEIGHT FACTOR IS 2.5.

10 (xi) FOR A CITY WITH A POPULATION OF MORE THAN 5,000
BUT

11 LESS THAN 10,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
3.0.

12 (xii) FOR A CITY WITH A POPULATION OF MORE THAN 10,000
BUT

13 LESS THAN 20,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
3.6.

14 (xiii) FOR A CITY WITH A POPULATION OF MORE THAN 20,000
BUT

15 LESS THAN 40,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
16 4.32.

17 (xiv) FOR A CITY WITH A POPULATION OF MORE THAN 40,000
BUT

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18 LESS THAN 80,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
19 5.18.

20 (xv) FOR A CITY WITH A POPULATION OF MORE THAN 80,000
21 BUT

21 LESS THAN 160,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
22 6.22.

23 (xvi) FOR A CITY WITH A POPULATION OF MORE THAN 160,000
24 BUT

24 LESS THAN 320,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
25 7.46.

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14

1 (xvii) FOR A CITY WITH A POPULATION OF MORE THAN
320,000 BUT

2 LESS THAN 640,001, THE UNIT TYPE POPULATION WEIGHT FACTOR IS
3 8.96.

4 (xviii) FOR A CITY WITH A POPULATION OF MORE THAN
640,000,

5 THE UNIT TYPE POPULATION WEIGHT FACTOR IS 10.75.

6 (B) DETERMINE THE ADJUSTED UNIT TYPE POPULATION FOR
EACH

7 CITY, VILLAGE, AND TOWNSHIP BY MULTIPLYING THE UNIT TYPE
POPULA-

8 TION WEIGHT FACTOR FOR THAT CITY, VILLAGE, OR TOWNSHIP AS
DETER-

9 MINED UNDER SUBDIVISION (A) BY THE POPULATION OF THE CITY,
VIL-

10 LAGE, OR TOWNSHIP.

11 (C) DETERMINE THE TOTAL STATEWIDE ADJUSTED UNIT TYPE
POPULA-

12 TION, WHICH IS THE SUM OF THE ADJUSTED UNIT TYPE POPULATION
FOR

13 ALL CITIES, VILLAGES, AND TOWNSHIPS.

14 (D) DETERMINE THE UNIT TYPE POPULATION PAYMENT RATE BY

15 DIVIDING 74.94% OF 21.3% OF THE SALES TAX COLLECTIONS AT A
RATE

16 OF 4% IN THE 12-MONTH PERIOD ENDING JUNE 30 OF THE STATE
FISCAL

17 YEAR IN WHICH THE PAYMENTS UNDER THIS SUBSECTION ARE MADE BY
3,

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- 18 AND THEN DIVIDING THAT RESULT BY THE TOTAL STATEWIDE
ADJUSTED
- 19 UNIT TYPE POPULATION AS DETERMINED UNDER SUBDIVISION (C).
- 20 (E) DETERMINE THE UNIT TYPE POPULATION PAYMENT FOR EACH
- 21 CITY, VILLAGE, AND TOWNSHIP BY MULTIPLYING THE RESULT UNDER
SUB-
- 22 DIVISION (D) BY THE ADJUSTED UNIT TYPE POPULATION FOR THAT
CITY,
- 23 VILLAGE, OR TOWNSHIP.
- 24 (10) SUBJECT TO SECTION 13D, FOR THE 1998-1999 THROUGH
- 25 2005-2006 STATE FISCAL YEARS AND FOR THE PERIOD OF OCTOBER
1,
- 26 2006 THROUGH JUNE 30, 2007, SUBJECT TO THE LIMITATIONS UNDER
THIS
- 27 SECTION, A YIELD EQUALIZATION PAYMENT SHALL BE MADE TO EACH
CITY,

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15

- 1 VILLAGE, AND TOWNSHIP WITH A POPULATION OF LESS THAN 750,000
- 2 SUFFICIENT TO PROVIDE THE GUARANTEED TAX BASE FOR A LOCAL
TAX
- 3 EFFORT NOT TO EXCEED 0.02. THE PAYMENT SHALL BE DETERMINED
AS
- 4 FOLLOWS:
- 5 (A) THE GUARANTEED TAX BASE IS THE MAXIMUM COMBINED
STATE
- 6 AND LOCAL PER CAPITA TAXABLE VALUE THAT CAN BE GUARANTEED IN
A
- 7 STATE FISCAL YEAR TO EACH CITY, VILLAGE, AND TOWNSHIP FOR A
LOCAL
- 8 TAX EFFORT NOT TO EXCEED 0.02 IF AN AMOUNT EQUAL TO 74.94%
OF
- 9 21.3% OF THE STATE SALES TAX AT A RATE OF 4% IS DISTRIBUTED
TO
- 10 CITIES, VILLAGES, AND TOWNSHIPS WHOSE PER CAPITA TAXABLE
VALUE IS
- 11 BELOW THE GUARANTEED TAX BASE.
- 12 (B) THE FULL YIELD EQUALIZATION PAYMENT TO EACH CITY,
VIL-
- 13 LAGE, AND TOWNSHIP IS THE PRODUCT OF THE AMOUNTS DETERMINED
UNDER
- 14 SUBPARAGRAPHS (i) AND (ii):
- 15 (i) AN AMOUNT GREATER THAN ZERO THAT IS EQUAL TO THE
DIFFER-
- 16 ENCE BETWEEN THE GUARANTEED TAX BASE DETERMINED IN
- 17 SUBDIVISION (A) AND THE PER CAPITA TAXABLE VALUE OF THE
CITY,

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18 VILLAGE, OR TOWNSHIP.

19 (ii) THE LOCAL TAX EFFORT OF THE CITY, VILLAGE, OR
TOWNSHIP,

20 NOT TO EXCEED 0.02, MULTIPLIED BY THE POPULATION OF THAT
CITY,

21 VILLAGE, OR TOWNSHIP.

22 (C) THE YIELD EQUALIZATION PAYMENT IS THE FULL YIELD
EQUALI-

23 ZATION PAYMENT DIVIDED BY 3.

24 (11) FOR STATE FISCAL YEARS AFTER THE 1997-1998 STATE
FISCAL

25 YEAR, DISTRIBUTIONS UNDER THIS SECTION FOR CITIES, VILLAGES,
AND

26 TOWNSHIPS WITH POPULATIONS OF LESS THAN 750,000 SHALL BE

27 DETERMINED AS FOLLOWS:

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16

- 1 (A) FOR THE 1998-1999 STATE FISCAL YEAR, THE PAYMENT
UNDER
- 2 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
THE
- 3 SUM OF THE FOLLOWING:
- 4 (i) NINETY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-
- 5 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 1998-
1999
- 6 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR
- 7 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
SEC-
- 8 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
UNDER
- 9 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO
- 10 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998
- 11 STATE FISCAL YEAR.
- 12 (ii) TEN PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-
- 13 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 1998-1999
STATE
- 14 FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
DISTRIBU-
- 15 TION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
(10).
- 16 (B) FOR THE 1999-2000 STATE FISCAL YEAR, THE PAYMENT
UNDER
- 17 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
THE

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18 SUM OF THE FOLLOWING:

19 (i) EIGHTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIB-

20 BUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 1999-
2000

21 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR

22 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
SEC-

23 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
UNDER

24 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO

25 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998

26 STATE FISCAL YEAR.

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17

1 (ii) TWENTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
2 DISTRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE
3 1999-2000 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S,
4 VILLAGE'S,
5 OR TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTION AMOUNTS
6 CALCU-
7 LATED UNDER SUBSECTIONS (8), (9), AND (10).

8 (C) FOR THE 2000-2001 STATE FISCAL YEAR, THE PAYMENT
9 UNDER
10 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
11 THE
12 SUM OF THE FOLLOWING:

13 (i) SEVENTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
14 DIS-
15 TRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2000-
16 2001
17 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR
18 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
19 SEC-
20 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
21 UNDER
22 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO
23 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998
24 STATE FISCAL YEAR.

25 (ii) THIRTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
26 DIS-
27 TRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2000-
28 2001

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- 19 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
DIS-
- 20 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
21 (10).
- 22 (D) FOR THE 2001-2002 STATE FISCAL YEAR, THE PAYMENT
UNDER
- 23 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
THE
- 24 SUM OF THE FOLLOWING:
- 25 (i) SIXTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-
- 26 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2001-
2002
- 27 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR

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18

1 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
2 SECTION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
3 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO
4 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998
5 STATE FISCAL YEAR.
6 (ii) FORTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
7 DISTRI-
8 BUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2001-
9 2002
10 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
11 DIS-
12 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
13 (10).
14 (E) FOR THE 2002-2003 STATE FISCAL YEAR, THE PAYMENT
15 UNDER
16 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
17 THE
18 SUM OF THE FOLLOWING:
19 (i) FIFTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
20 DISTRI-
21 BUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2002-
22 2003
23 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR
24 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
25 SEC-
26 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
27 UNDER

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19 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO
20 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998
21 STATE FISCAL YEAR.
22 (ii) FIFTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIB-
23 BUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2002-
2003
24 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
DIS-
25 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
26 (10).

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19

1 (F) FOR THE 2003-2004 STATE FISCAL YEAR, THE PAYMENT
UNDER

2 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
THE

3 SUM OF THE FOLLOWING:

4 (i) FORTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-

5 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2003-
2004

6 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR

7 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
SEC-

8 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
UNDER

9 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO

10 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998

11 STATE FISCAL YEAR.

12 (ii) SIXTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-

13 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2003-
2004

14 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
DIS-

15 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND

16 (10).

17 (G) FOR THE 2004-2005 STATE FISCAL YEAR, THE PAYMENT
UNDER

18 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE

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THE

19 SUM OF THE FOLLOWING:

20 (i) THIRTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIB-

21 BUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2004-
2005

22 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR

23 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
SEC-

24 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
UNDER

25 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO

26 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998

27 STATE FISCAL YEAR.

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20

1 (ii) SEVENTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
2 DISTRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE
3 2004-2005 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE
 SHARE OF
4 THE DISTRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8),
 (9),
5 AND (10).

6 (H) FOR THE 2005-2006 STATE FISCAL YEAR, THE PAYMENT
 UNDER
7 THIS SECTION FOR EACH CITY, VILLAGE, AND TOWNSHIP SHALL BE
 THE
8 SUM OF THE FOLLOWING:

9 (i) TWENTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
 DISTRIBU-
10 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2005-
 2006
11 STATE FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR
12 TOWNSHIP'S PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS
 SEC-
13 TION AND SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION
 UNDER
14 THIS SECTION AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO
15 RECEIVE A DISTRIBUTION UNDER SUBSECTION (6) IN THE 1997-1998
16 STATE FISCAL YEAR.
17 (ii) EIGHTY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
 DIS-
18 TRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2005-
 2006

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- 19 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
DIS-
- 20 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
21 (10).
- 22 (I) FOR THE PERIOD OF OCTOBER 1, 2006 THROUGH JUNE 30,
2007,
- 23 THE PAYMENT UNDER THIS SECTION FOR EACH CITY, VILLAGE, AND
TOWN-
- 24 SHIP SHALL BE THE SUM OF THE FOLLOWING:
- 25 (i) TEN PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
DISTRIBU-
- 26 TION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2006-2007
STATE
- 27 FISCAL YEAR MULTIPLIED BY THE CITY'S, VILLAGE'S, OR
TOWNSHIP'S

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House Bill No. 5989 as amended December 9, 1998

21

- 1 PERCENTAGE SHARE OF THE DISTRIBUTIONS UNDER THIS SECTION AND
- 2 SECTION 12A MINUS THE AMOUNT OF A DISTRIBUTION UNDER THIS
- 3 AND SECTION 12A TO A CITY THAT IS ELIGIBLE TO RECEIVE A
- 4 TION UNDER SUBSECTION (6) IN THE 1997-1998 STATE FISCAL
- 5 (ii) NINETY PERCENT OF THE TOTAL AMOUNT AVAILABLE FOR
- 6 TRIBUTION UNDER SUBSECTIONS (8), (9), AND (10) FOR THE 2006-
- 7 STATE FISCAL YEAR MULTIPLIED BY THE PERCENTAGE SHARE OF THE
- 8 TRIBUTION AMOUNTS CALCULATED UNDER SUBSECTIONS (8), (9), AND
- 9 (10).
- 10 (12) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,
- 11 TOTAL PAYMENT TO ANY CITY, VILLAGE, OR TOWNSHIP UNDER THIS
- 12 AND SECTION 10 OF ARTICLE IX OF THE STATE CONSTITUTION OF
- 13 SHALL NOT INCREASE BY MORE THAN 8% OVER THE AMOUNT OF THE
- 14 UNDER THIS ACT AND SECTION 10 OF ARTICLE IX OF THE STATE
- 15 TUTION OF 1963 IN THE IMMEDIATELY PRECEDING STATE FISCAL
- 16 FROM THE AMOUNT NOT DISTRIBUTED BECAUSE OF THE LIMITATION

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- 17 BY THIS SUBSECTION, THE DEPARTMENT SHALL DISTRIBUTE AN
AMOUNT TO
- 18 CERTAIN CITIES, VILLAGES, AND TOWNSHIPS SUCH THAT THE
PERCENTAGE
- 19 INCREASE IN THE TOTAL PAYMENT UNDER THIS ACT AND SECTION 10
OF
- 20 ARTICLE IX OF THE STATE CONSTITUTION OF 1963 FROM THE
IMMEDIATELY
- 21 PRECEDING STATE FISCAL YEAR TO EACH OF THOSE CITIES,
VILLAGES,
- 22 AND TOWNSHIPS IS EQUAL TO, BUT DOES NOT EXCEED, THE
PERCENTAGE
- 23 INCREASE FROM THE IMMEDIATELY PRECEDING STATE FISCAL YEAR OF
ANY
- 24 CITY, VILLAGE, OR TOWNSHIP THAT DOES NOT RECEIVE A
DISTRIBUTION
- 25 UNDER THIS SUBSECTION. THIS SUBSECTION DOES NOT APPLY FOR
STATE
- 26 FISCAL YEARS AFTER THE 2000 FEDERAL DECENNIAL CENSUS BECOMES
27 OFFICIAL TO A CITY, VILLAGE, OR TOWNSHIP WITH A 10% OR MORE

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22 House Bill No. 5989 (S-7) as amended by the Senate
[House amendments (December 10, 1998) shown in brackets]
as amended by the Senate December 10, 1998

- 1 INCREASE IN POPULATION FROM THE OFFICIAL 1990 FEDERAL
DECENNIAL
- 2 CENSUS TO THE OFFICIAL 2000 FEDERAL DECENNIAL CENSUS.
- 3 (13) THE PERCENTAGE ALLOCATIONS TO DISTRIBUTIONS UNDER
SUB-
- 4 SECTIONS (8) TO (10) PURSUANT TO SUBSECTION (11) SHALL BE
CALCU-
- 5 LATED AS IF, IN ANY STATE FISCAL YEAR, THE AMOUNT
APPROPRIATED
- 6 UNDER THIS SECTION FOR DISTRIBUTION TO CITIES, VILLAGES, AND
- 7 TOWNSHIPS IS 74.94% OF 21.3% OF THE SALES TAX AT A RATE OF
4%.
- 8 IF THE AMOUNT APPROPRIATED UNDER THIS SECTION TO CITIES,
VIL-
- 9 LAGES, AND TOWNSHIPS IS LESS THAN 74.94% OF 21.3% OF THE
SALES
- 10 TAX AT A RATE OF 4%, ANY REDUCTION MADE NECESSARY BY THIS
APPRO-
- 11 PRIATION IN DISTRIBUTIONS TO CITIES, VILLAGES, AND TOWNSHIPS
- 12 SHALL FIRST BE APPLIED TO THE DISTRIBUTION UNDER SUBSECTIONS
(8)
- 13 TO (10) AND ANY REMAINING AMOUNT SHALL BE APPLIED TO THE
OTHER
- 14 DISTRIBUTIONS UNDER THIS SECTION.
- 15 (14) A TOWNSHIP THAT PROVIDES [] FOR
OR MAKES AVAILABLE FIRE, POLICE [ON A 24-HOUR BASIS EITHER
THROUGH CONTRACTING FOR OR DIRECTLY EMPLOYING PERSONNEL],

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- 16 WATER [TO 50% OR MORE OF ITS RESIDENTS], AND SEWER SERVICES
TO [50% OR MORE OF] ITS RESIDENTS AND HAS A POPULATION
- 17 OF 10,000 OR MORE OR A TOWNSHIP THAT HAS A POPULATION OF
20,000
- 18 OR MORE SHALL USE THE UNIT TYPE POPULATION WEIGHT FACTOR
UNDER
- 19 SUBSECTION (9)(A) FOR A CITY WITH THE SAME POPULATION AS THE
20 TOWNSHIP.
- 21 (15) FOR A STATE FISCAL YEAR IN WHICH THE SALES TAX
COLLEC-
- 22 TIONS DECREASE FROM THE SALES TAX COLLECTIONS FOR THE
IMMEDIATELY
- 23 PRECEDING STATE FISCAL YEAR, THE DEPARTMENT SHALL REDUCE THE
- 24 AMOUNT TO BE DISTRIBUTED TO A CITY WITH A POPULATION OF
750,000
- 25 OR MORE UNDER SUBSECTION (6) BY AN AMOUNT DETERMINED BY
SUBTRACT-
- 26 ING THE AMOUNT THE CITY IS ELIGIBLE FOR UNDER SECTION 10 OF
- 27 ARTICLE IX OF THE STATE CONSTITUTION OF 1963 FOR THE STATE
FISCAL

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Sub. H.B. 5989 (S-7) as amended by the Senate 23
[House amendments (December 10, 1998) shown in brackets]

- 1 YEAR FROM \$333,900,000.00 AND MULTIPLYING THAT RESULT BY THE
SAME
- 2 PERCENTAGE AS THE PERCENTAGE DECREASE IN SALES TAX
COLLECTIONS
- 3 FOR THAT STATE FISCAL YEAR AS COMPARED TO SALES TAX
COLLECTIONS
- 4 FOR THE IMMEDIATELY PRECEDING STATE FISCAL YEAR.
[(16) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
SECTION FOR THE 1998-1999 STATE FISCAL YEAR, THE TOTAL
COMBINED AMOUNT RECEIVED BY EACH CITY, VILLAGE, AND TOWNSHIP
UNDER THIS SECTION AND SECTION 10 OF ARTICLE IX OF THE STATE
CONSTITUTION OF 1963 SHALL NOT BE LESS THAN THE COMBINED
AMOUNT RECEIVED UNDER THIS SECTION, SECTION 12A, AND SECTION
10 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963 IN THE
1997-1998 STATE FISCAL YEAR. THE INCREASE, IF ANY, FOR EACH
CITY, VILLAGE, AND TOWNSHIP FROM THE 1997-1998 STATE FISCAL
YEAR, OTHER THAN A CITY THAT RECEIVES A DISTRIBUTION UNDER
SUBSECTION (6), SHALL BE REDUCED BY A UNIFORM PERCENTAGE TO
THE EXTENT NECESSARY TO FUND DISTRIBUTIONS UNDER THIS
SUBSECTION.]
- 5 [(17)] ~~-(7)-~~ The payments under subsections (3), (4),
and (5)
- 6 shall be made during each October, December, February,
April,
- 7 June, and August. Payments under subsections (3), (4), and
(5)
- 8 shall be based on collections from the sales tax at the rate
of
- 9 4% in the 2-month period ending the prior August 31, October
31,
- 10 December 31, February 28, April 30, and June 30, ~~less~~ AND
FOR
- 11 THE 1996-1997 AND 1997-1998 STATE FISCAL YEARS ONLY, THE
PAYMENTS

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12 SHALL BE REDUCED BY 1/6 of the total distribution for the
state

13 fiscal year under section 12a.

14 [(18)] ~~-(8)-~~ Payments under this section shall be made
from

15 revenues collected during the state fiscal year in which the
pay-

16 ments are made.

17 [(19)] ~~-(9)-~~ Distributions provided for by this act are
18 subject to an annual appropriation by the legislature.

19 SEC. 13D. THE DEPARTMENT SHALL ANNUALIZE THE AMOUNT OF
DIS-

20 TRIBUTIONS UNDER SECTIONS 11, 12A, AND 13 AS NECESSARY TO
REFLECT

21 DISTRIBUTIONS FOR PERIODS OF LESS THAN 12 MONTHS.

22 Enacting section 1. Sections 11a, 14, and 15 of the
state

23 revenue sharing act of 1971, 1971 PA 140, MCL 141.911a,
141.914,

24 and 141.915, are repealed.

25 Enacting section 2. This amendatory act does not take
26 effect unless House Bill No. 5391 of the 89th Legislature is
27 enacted into law.