

# HOUSE BILL No. 4818

May 22, 1997, Introduced by Reps. Llewellyn, Cropsey, Goschka, Walberg, Voorhees and Rhead and referred to the Committee on Appropriations.

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 25 (MCL 205.75), as amended by 1993 PA 325.

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

1       Sec. 25. (1) All sums of money received and collected under  
2 this act shall be deposited by the department in the state trea-  
3 sury to the credit of the general fund, except as provided in  
4 this section.

5       (2) Fifteen percent of the collections of the tax imposed at  
6 a rate of 4% shall be distributed to cities, villages, and town-  
7 ships pursuant to the state revenue sharing act of 1971, ~~Act~~  
8 ~~No. 140 of the Public Acts of 1971, being sections 141.901 to~~  
9 ~~141.921 of the Michigan Compiled Laws~~ 1971 PA 140, MCL 141.901  
10 TO 141.921.

1 (3) Sixty percent of the collections of the tax imposed at a  
2 rate of 4% shall be deposited in the state school aid fund  
3 established in section 11 of article IX of the state constitution  
4 of 1963 and distributed as provided by law. In addition, all of  
5 the collections of the tax imposed at the additional rate of 2%  
6 approved by the electors March 15, 1994 shall be deposited in the  
7 state school aid fund.

8 (4) For the fiscal year ending September 30, 1988 and each  
9 fiscal year ending after September 30, 1988, of the 25% of the  
10 collections of the general sales tax imposed at a rate of 4%  
11 directly or indirectly on fuels sold to propel motor vehicles  
12 upon highways, on the sale of motor vehicles, and on the sale of  
13 the parts and accessories of motor vehicles by new and used car  
14 businesses, used car businesses, accessory dealer businesses, and  
15 gasoline station businesses as classified by the department of  
16 treasury remaining after the allocations and distributions are  
17 made pursuant to subsections (2) and (3), the following amounts  
18 shall be deposited each year into the respective funds:

19 (a) Not less than 27.9% to the ~~comprehensive~~ MICHIGAN  
20 transportation fund. ~~However, for the fiscal year ending~~  
21 ~~September 30, 1991 only, the amount to be deposited in the com-~~  
22 ~~prehensive transportation fund shall be reduced by~~  
23 ~~\$1,500,000.00.~~

24 (b) The balance to the state general fund.

25 (5) After the allocations and distributions are made pursu-  
26 ant to subsections (2) and (3), an amount equal to the  
27 collections of the tax imposed at a rate of 4% by this act from

1 the sale at retail of computer software as defined in section 1  
2 shall be deposited in the Michigan health initiative fund created  
3 in section 5911 of the public health code, ~~Act No. 368 of the~~  
4 ~~Public Acts of 1978, being section 333.5911 of the Michigan~~  
5 ~~Compiled Laws~~ 1978 PA 368, MCL 333.5911, and shall be considered  
6 in addition to, and is not intended as a replacement for any  
7 other money appropriated to the department of ~~public~~ COMMUNITY  
8 health. The funds deposited in the Michigan health initiative  
9 fund on an annual basis shall not be less than \$9,000,000.00 or  
10 more than \$12,000,000.00.

11 (6) The balance in the state general fund shall be disbursed  
12 only on an appropriation or appropriations by the legislature.