

# HOUSE BILL No. 4999

June 26, 1997, Introduced by Reps. Brater, Wallace, Wojno, LaForge, Goschka, Scott, Schauer, Hale, Schroer, DeHart, Bogardus, Hanley and Rison and referred to the Committee on Tax Policy.

A bill to amend 1974 PA 263, entitled

"An act to permit counties to impose and collect an excise tax on persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; to provide for the disposition of the revenues thereof; and to prescribe penalties,"

by amending sections 4 and 7 (MCL 141.864 and 141.867), section 7 as amended by 1989 PA 13.

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

1       Sec. 4. A county levying a tax under this act may provide  
2 in the ordinance for 1 OR MORE OF THE FOLLOWING:

3       (a) The adoption and enforcement of rules to apply, inter-  
4 pret, effectuate, and administer the ordinance and the purposes  
5 of the tax IMPOSED UNDER THIS ACT.

6       (b) The prescribing and furnishing to taxpayers of forms,  
7 instructions, manuals, and other materials necessary for  
8 indorsement of the tax and the auditing of tax returns.

1 (c) The examination by the administrator or his OR HER agent  
2 of the books and records of a taxpayer for purposes of determin-  
3 ing the correctness of a tax return or information filed, or the  
4 determination of any tax liability ~~thereunder~~ UNDER THIS ACT.

5 (d) The imposition of a fine of not more than \$500.00, or  
6 imprisonment of not more than 90 days, or both, for violation of  
7 the ordinance.

8 (E) THAT ALL OR A PORTION OF THE AMOUNT IN EXCESS OF 2% OF  
9 THE TOTAL CHARGE FOR ACCOMMODATIONS COLLECTED AS A TAX UNDER SEC-  
10 TIONS 2 AND 3 MAY BE USED BY THE COUNTY FOR PROVIDING SHELTER FOR  
11 THE HOMELESS, FOR TRANSITIONAL HOUSING FOR THE FORMERLY HOMELESS,  
12 AND FOR THE CREATION OF CONSTRUCTION OF AFFORDABLE HOUSING.

13 Sec. 7. The revenues derived from the taxes imposed pursu-  
14 ant to this act shall be deposited in a special fund to be used  
15 by the county or by an authority that is organized pursuant to  
16 state law, together with other available funds only to pay 1 OR  
17 MORE OF THE FOLLOWING:

18 (a) The cost of administration and enforcement of the  
19 ordinance.

20 (b) The financing of the acquisition, construction, improve-  
21 ment, enlargement, repair, or maintenance of convention and  
22 entertainment facilities, including, except as provided in subdi-  
23 vision (e), the payment of principal and interest, when due, on  
24 bonds or other evidence of indebtedness issued by the county for  
25 convention and entertainment facilities.

26 (c) Except as provided in subdivision (e), current or future  
27 annual rental payable by the county to an authority organized

1 pursuant to state law for the purpose of acquiring, constructing,  
2 improving, enlarging, repairing, or maintaining the convention  
3 and entertainment facilities and leasing ~~them~~ THE CONVENTION  
4 AND ENTERTAINMENT FACILITIES to the county.

5 (d) The promotion and encouragement of tourist and conven-  
6 tion business in the county.

7 (e) The principal and interest, when due, on bonds or other  
8 evidence of indebtedness issued by or on behalf of the county for  
9 the purpose of financing the construction of a museum, or the  
10 current or future rental payable by the county to an authority  
11 organized pursuant to state law for the purpose of constructing a  
12 museum and leasing it to the county, only if the museum is  
13 located in a city with a population of 180,000 or more.

14 (F) TO PROVIDE SHELTER FOR THE HOMELESS, FOR TRANSITIONAL  
15 HOUSING FOR THE FORMERLY HOMELESS, AND FOR THE CREATION OR CON-  
16 STRUCTION OF AFFORDABLE HOUSING, TO THE EXTENT PROVIDED IN SEC-  
17 TION 4(E).