

HOUSE BILL No. 5930

June 11, 1998, Introduced by Reps. Kaza and Galloway and referred to the Committee on Tax Policy.

A bill to amend 1985 PA 106, entitled
"State convention facility development act,"
by amending section 4 (MCL 207.624).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) ~~There~~ THROUGH DECEMBER 31, 1998, THERE is
2 hereby levied upon and there shall be collected from any person
3 engaged in the business of providing accommodations to transient
4 guests in a convention hotel, whether or not membership is
5 required, an excise tax at the following rates:

6 (a) For a convention hotel located within a qualified local
7 governmental unit under section 9(3), the following:

8 (i) A rate of 3% of the room charge for accommodations in a
9 convention hotel with 81 to 160 rooms.

10 (ii) A rate of 6% of the room charge for accommodations in a
11 convention hotel with more than 160 rooms.

1 (b) For all other convention hotels not subject to the tax
2 rates imposed by subdivision (a), the following:

3 (i) A rate of 1.5% of the room charge for accommodations in
4 a convention hotel with 81 to 160 rooms.

5 (ii) A rate of 5% of the room charge for accommodations in a
6 convention hotel with more than 160 rooms.

7 (2) Beginning with the state fiscal year 1987, a person
8 engaged in the business of providing accommodations to transient
9 guests in a convention hotel is exempt from the tax imposed by
10 this act for any state fiscal year in which appropriations of the
11 tax collections pursuant to this act from that convention hotel
12 have not been made for distributions pursuant to section 9 that
13 would be received by a qualified local governmental unit from the
14 collections of the tax under this act or the convention facility
15 promotion tax act that the qualified local governmental unit is
16 eligible to receive.

17 (3) BEGINNING JANUARY 1, 1999, AN EXCISE TAX SHALL NOT BE
18 LEVIED UNDER THIS ACT.