

Act No. 368  
Public Acts of 1998  
Approved by the Governor  
October 20, 1998  
Filed with the Secretary of State  
October 20, 1998  
EFFECTIVE DATE: October 20, 1998

STATE OF MICHIGAN  
89TH LEGISLATURE  
REGULAR SESSION OF 1998

**Introduced by Reps. Profit, Perricone and McBryde**

**Reps. Alley, Baade, Birkholz, Bodem, Bogardus, Cassis, DeVuyst, Gagliardi, Goschka, Hanley, Horton, Jelinek, Jellema, Kelly, Kukuk, London, Middaugh, Parks, Richner, Rocca, Scott, Varga, Vaughn and Voorhees named co-sponsors**

# **ENROLLED HOUSE BILL No. 5315**

AN ACT to amend 1941 PA 122, entitled "An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act," by amending the title and section 18 (MCL 205.18), the title as amended by 1996 PA 479 and section 18 as added by 1980 PA 162, and by adding section 14.

*The People of the State of Michigan enact:*

## **TITLE**

An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to regulate the importation, stamping, and disposition of certain tobacco products; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act.

Sec. 14. (1) A person shall not import into this state a tobacco product that violates any federal requirement for the placement of labels, warnings, or any other information, including health hazards, required to be placed on the container or individual package.

(2) A person shall not place a stamp or a counterfeit stamp on a tobacco product unless that package of tobacco products complies with all federal tax laws, federal trademark and copyright laws, and all federal laws regarding the placement of labels, warnings, or any other information upon a package of tobacco products.

(3) A person that acquires, possesses, sells, or offers for sale packages of tobacco products stamped or marked in violation of this section is subject to the same penalties as described in section 9 of the tobacco products tax act, 1993 PA 327, MCL 205.429. A person that acquires, possesses, sells, or offers for sale packages of tobacco products stamped or marked in violation of this section is subject to criminal charges as provided in the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436.

(4) The department may revoke the license of a licensee under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, for a violation of this section.

(5) The department is authorized to obtain and exchange information with the United States customs service for the purpose of enforcing this section.

(6) The department may assess tax due, penalty, and interest on tobacco products acquired, possessed, sold, or offered for sale in violation of this section.

(7) As used in this section:

(a) "Stamp" or "counterfeit stamp" means those terms as defined in section 2 of the tobacco products tax act, 1993 PA 327, MCL 205.422.

(b) "Tobacco product" means that term as defined in the tobacco products tax act, 1993 PA 327, MCL 205.422.

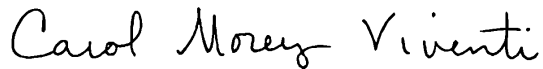
Sec. 18. (1) The department shall publish annually a report containing statistical data on revenue collections made by the department during the past fiscal year and may publish additional reports on a periodic basis.

(2) Beginning January 1, 1999, revenue forecasting reports made by the department under this act or made by the department as otherwise provided by law may include dynamic revenue forecasting. As used in this subsection, "dynamic revenue forecasting" means forecasting the direct impact of a tax law change on revenues and the other effects of tax law changes on the behavior of taxpayers and on overall economic activity.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives.



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Secretary of the Senate.

Approved \_\_\_\_\_

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Governor.