

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 2000**

Introduced by Senator Stille

ENROLLED SENATE BILL No. 1271

AN ACT to amend 1967 PA 281, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," (MCL 206.1 to 206.532) by adding section 484.

The People of the State of Michigan enact:

Sec. 484. (1) For tax years that begin after December 31, 1999 and before January 1, 2010, from the gross collections under this act, the amount determined pursuant to subsection (2) shall be deposited each year in the agricultural processing facility fund created in the agricultural processing facility act to be appropriated and used solely for the purposes of that fund.

(2) The amount to be deposited in the agricultural processing facility fund each year shall equal the effective tax rate as determined by the department using the most recently available tax year data multiplied by the payroll of qualified employees of each qualified employer.

(3) An appropriation made pursuant to this section is hereby made from the taxes collected pursuant to this act.

(4) A qualified employer shall report all necessary information as may be required by the department to compute the deposit to the agricultural processing facility fund pursuant to subsection (1).

(5) As used in this section:

(a) "Average salary of a qualified employee" means the total payroll of a qualified employer for all full-time equivalent qualified employees divided by the number of full-time equivalent qualified employees of the qualified employer.

(b) "Effective tax rate" means the gross tax liability after credits of all taxpayers with adjusted gross income within the next lower and next higher integral multiple of \$5,000.00 of the average salary of a qualified employee divided by the aggregate adjusted gross income of all taxpayers with adjusted gross income within the next lower and next higher integral multiple of \$5,000.00 of the average salary of a qualified employee.

(c) "Payroll" means total compensation subject to withholding under section 351 before deducting any personal or dependent exemptions.

(d) "Qualified employee" means a person who is employed by a qualified employer.

(e) "Qualified employer" means that term as defined in the agricultural processing facility act.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 1272 of the 90th Legislature is enacted into law.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Gay E. Randall

Clerk of the House of Representatives.

Approved _____

Governor.