

REPRINT
SUBSTITUTE FOR
SENATE BILL NO. 341
(As passed the Senate March 29, 2001)

A bill to amend 1993 PA 331, entitled
"State education tax act,"
(MCL 211.901 to 211.906) by adding section 5a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 5A. (1) NOT LATER THAN MAY 25, 2001, A QUALIFIED LOCAL
2 SCHOOL DISTRICT SHALL TRANSMIT TO THE STATE TREASURER ALL EXCESS
3 DEBT LEVY RETIREMENT FUNDS HELD BY THE QUALIFIED LOCAL SCHOOL
4 DISTRICT. THE STATE TREASURER SHALL DEPOSIT ALL EXCESS DEBT LEVY
5 RETIREMENT FUNDS TRANSMITTED UNDER THIS SUBSECTION INTO THE STATE
6 TREASURY TO THE CREDIT OF THE STATE SCHOOL AID FUND ESTABLISHED
7 IN SECTION 11 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963.
8 (2) EACH PARCEL OF PROPERTY SUBJECT TO THE TAX LEVIED UNDER
9 THIS ACT LOCATED IN A QUALIFIED LOCAL SCHOOL DISTRICT SHALL
10 RECEIVE A CREDIT AGAINST THE TAX LEVIED IN JULY 2001 UNDER THIS
11 ACT. THE AMOUNT OF THE CREDIT SHALL BE CALCULATED BY MULTIPLYING

SB341, As Passed House, May 16, 2001

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1 THE TAXABLE VALUE OF THE PROPERTY BY THE APPLIED MILLAGE RATE.

2 THE LOCAL TAX COLLECTING UNIT SHALL REFLECT THE AMOUNT OF THE

3 CREDIT ON THE JULY 2001 TAX BILL FOR EACH PARCEL OF PROPERTY.

4 (3) AS USED IN THIS SECTION:

5 (A) "APPLIED MILLAGE RATE" IS THE RATE DETERMINED BY THE

6 STATE TREASURER BY DIVIDING THE EXCESS DEBT LEVY RETIREMENT FUNDS

7 TRANSFERRED UNDER SUBSECTION (1) BY THE TOTAL TAXABLE VALUE OF

8 ALL PROPERTY SUBJECT TO THE TAX LEVIED UNDER THIS ACT LOCATED IN

9 THE QUALIFIED LOCAL SCHOOL DISTRICT.

10 (B) "EXCESS DEBT LEVY RETIREMENT FUNDS" MEANS THE AMOUNT

11 THAT A QUALIFIED LOCAL SCHOOL COLLECTED ON OR AFTER JULY 1, 1997

12 TO RETIRE OUTSTANDING BONDED INDEBTEDNESS IN EXCESS OF THE AMOUNT

13 NECESSARY TO RETIRE THE OUTSTANDING BONDED INDEBTEDNESS OF THE

14 QUALIFIED LOCAL SCHOOL DISTRICT ON DECEMBER 1, 1998. EXCESS DEBT

15 LEVY RETIREMENT FUNDS INCLUDE ANY ACCRUED INVESTMENT INCOME,

16 INTEREST, AND PENALTIES ON DELINQUENT ACCOUNTS.

17 (C) "QUALIFIED LOCAL SCHOOL DISTRICT" MEANS A LOCAL SCHOOL

18 DISTRICT THAT, ON OR AFTER JULY 1, 1997, LEVIED AND COLLECTED A

19 TAX TO RETIRE OUTSTANDING BONDED INDEBTEDNESS IN AN AMOUNT NOT

20 LESS THAN \$100,000.00 MORE THAN NECESSARY TO RETIRE THE OUTSTAND-

21 ING BONDED INDEBTEDNESS OF THE LOCAL SCHOOL DISTRICT ON DECEMBER

22 1, 1998.