

HOUSE JOINT RESOLUTION HHH

July 23, 2008, Introduced by Rep. Hopgood and referred to the Committee on Transportation.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 8 of article IX, to allow the levy of a sales tax by local units of government and to restrict the use of the proceeds of that tax.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to allow the levy of a sales tax by local units of government and to restrict the use of the proceeds of that tax, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 8. Except as provided in this section, the Legislature shall not impose a sales tax on retailers at a rate of more than 4%

1 of their gross taxable sales of tangible personal property.

2 Beginning May 1, 1994, the sales tax shall be imposed on
3 retailers at an additional rate of 2% of their gross taxable sales
4 of tangible personal property not exempt by law and the use tax at
5 an additional rate of 2%. The proceeds of the sales and use taxes
6 imposed at the additional rate of 2% shall be deposited in the
7 state school aid fund established in section 11 of this article.
8 The allocation of sales tax revenue required or authorized by
9 sections 9 and 10 of this article does not apply to the revenue
10 from the sales tax imposed at the additional rate of 2%.

11 No sales tax or use tax shall be charged or collected from and
12 after January 1, 1975 on the sale or use of prescription drugs for
13 human use, or on the sale or use of food for human consumption
14 except in the case of prepared food intended for immediate
15 consumption as defined by law. This provision shall not apply to
16 alcoholic beverages.

17 BEGINNING JANUARY 1, 2009, A COUNTY MAY IMPOSE ON RETAILERS A
18 SALES TAX AT A RATE OF 1% OF THEIR GROSS TAXABLE SALES AT RETAIL IF
19 APPROVED BY A MAJORITY VOTE OF THE QUALIFIED ELECTORS IN THAT
20 COUNTY. PROCEEDS OF THE SALES TAX IMPOSED BY A COUNTY AT A RATE OF
21 1% SHALL BE USED ONLY FOR ROAD CONSTRUCTION, PRESERVATION, AND
22 MAINTENANCE; PUBLIC TRANSPORTATION AND RELATED INFRASTRUCTURE; AND
23 NONMOTORIZED TRANSPORTATION INFRASTRUCTURE, AS APPROVED BY THE
24 QUALIFIED ELECTORS IN THE COUNTY WHERE THE TAX WAS COLLECTED. IN
25 ADDITION TO ANY OTHER REQUIREMENTS IMPOSED BY LAW, THE BALLOT
26 QUESTION PROPOSING THE AUTHORIZATION OF THE TAX SHALL SPECIFICALLY
27 STATE HOW THE PROCEEDS OF THE TAX SHALL BE DISTRIBUTED.

1 Resolved further, That the foregoing amendment shall be
2 submitted to the people of the state at the next general election
3 in the manner provided by law.