

# HOUSE BILL No. 4428

February 24, 2009, Introduced by Reps. Donigan, Byrnes, Gonzales, Spade and Robert Jones and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled  
"Use tax act,"  
by amending section 21 (MCL 205.111), as amended by 1994 PA 34.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 21. (1) Except as provided in ~~subsection (2)~~ **THIS**  
2 **SECTION**, all money received and collected under ~~the provisions of~~  
3 this act shall be deposited by the department of treasury, in the  
4 state treasury to the credit of the general fund, to be disbursed  
5 only by appropriations by the legislature.

6           (2) The collections from the use tax imposed at the additional  
7 rate of 2% approved by the electors March 15, 1994 shall be  
8 deposited in the state school aid fund established in section 11 of  
9 article IX of the state constitution of 1963.

1           (3) IN EACH FISCAL YEAR, OF THE TOTAL COLLECTIONS OF THE USE  
2 TAX IMPOSED AT A RATE OF 4% DIRECTLY OR INDIRECTLY ON THE SALE OF  
3 MOTOR VEHICLES, ON THE LEASE OF MOTOR VEHICLES, AND ON THE SALE OF  
4 THE PARTS AND ACCESSORIES OF MOTOR VEHICLES BY NEW AND USED CAR  
5 BUSINESSES, USED CAR BUSINESSES, ACCESSORY DEALER BUSINESSES, AND  
6 GASOLINE STATION BUSINESSES AS CLASSIFIED BY THE DEPARTMENT OF  
7 TREASURY, THE FOLLOWING AMOUNTS SHALL BE DEPOSITED IN THE FOLLOWING  
8 FUNDS:

9           (A) NOT LESS THAN 27.9% OF 25% OF THE TOTAL COLLECTIONS SHALL  
10 BE DEPOSITED IN THE COMPREHENSIVE TRANSPORTATION FUND.

11           (B) THE BALANCE TO THE STATE GENERAL FUND.