

# HOUSE BILL No. 6398

August 24, 2010, Introduced by Reps. Leland, Byrnes, Donigan and Miller and referred to the Committee on Transportation.

A bill to provide for a specific tax on motor fuel by certain counties; to describe powers of certain counties and state agencies; and to authorize direct local elections pertaining to specific motor fuel taxes.

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

1       Sec. 1. This act shall be known and may be cited as the  
2 "county motor fuel tax act".

3       Sec. 2. No county shall impose a specific tax on motor fuels  
4 except as provided under this act. Beginning January 1, 2010, a  
5 county that has obtained direct voter approval under section 25 of  
6 article IX of the state constitution of 1963 may impose a specific  
7 tax on motor fuel sold in the county. In addition to any other  
8 requirements imposed by law, the ballot question that proposes the

1 authorization of the tax shall specifically state how the proceeds  
2 of the tax are to be distributed and used. The tax collected shall  
3 be used for road construction, preservation, and maintenance,  
4 public transportation and related infrastructure, and nonmotorized  
5 transportation infrastructure as approved by the voters in the  
6 county or counties where the tax was collected. The rate of tax  
7 imposed under this act shall be up to 3 cents per gallon of motor  
8 fuel if a single county is imposing the tax. Two adjacent counties  
9 may combine to impose a tax of up to 5 cents per gallon, and 3 or  
10 more adjacent counties may combine to impose a tax of up to 7 cents  
11 per gallon. If 2 or more adjacent counties combine to impose taxes  
12 higher than 3 cents per gallon, they shall enter into a contract  
13 that sets forth agreements on the distribution and use of revenue.  
14 Adjacent counties may provide for additional agreements in a  
15 contract entered into under this section.

16 Sec. 3. The governing body of a county or counties may provide  
17 a means of collecting the tax.

18 Sec. 4. A county or counties that impose a tax on motor fuel  
19 under this act may enter into an agreement with the department of  
20 treasury, under which the department of treasury shall administer,  
21 enforce, and collect the county motor fuel tax on behalf of the  
22 county or counties. The actual, marginal cost of collecting the tax  
23 in each county may be deducted from the amount distributed to each  
24 county.

25 Sec. 5. As used in this act, "motor fuel" means any 1 or all  
26 of the fuels listed in section 4(d) of the motor fuel tax act, 2000  
27 PA 403, MCL 207.1004(d), or electricity used for vehicle

1 propulsion, as may be specified in the ballot question that  
2 proposes the authorization of the tax under this act. Nothing in  
3 this act shall give a county authority to tax motor fuel consumed  
4 in qualified commercial motor vehicles under the motor carrier fuel  
5 tax act, 1980 PA 119, MCL 207.211 to 207.234.