

SUBSTITUTE FOR  
HOUSE BILL NO. 4624

A bill to amend 1990 PA 100, entitled  
"City utility users tax act,"  
by amending the title and section 2 (MCL 141.1152), the title as  
amended by 1998 PA 548 and section 2 as amended by 2005 PA 197.

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

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TITLE

An act to permit the imposition, revival, and continued  
collection by **CERTAIN** cities ~~of a population of 750,000 or more of~~  
a utility users tax; to provide the procedure for, and to require  
the adoption of a prescribed uniform city utility users tax  
ordinance by cities desiring to impose and collect such a tax; to  
limit the rate of such tax; to prescribe the powers and duties of  
the ~~state commissioner of revenue;~~ **DEPARTMENT OF TREASURY;** and to  
provide for appeals.

1           Sec. 2. (1) The governing body of a city having a population  
2 of ~~750,000~~ **600,000** or more, by a lawfully adopted ordinance that  
3 incorporates by reference the uniform city utility users tax  
4 ordinance set forth in chapter 2, may levy, assess, and collect  
5 from those users in that city a utility users tax as provided in  
6 the ordinance. However, a uniform city utility users tax ordinance  
7 containing substantially the same provisions provided for in  
8 chapter 2 adopted by the governing body of a city before June 13,  
9 1990 that has not been rescinded by that governing body is  
10 considered an ordinance adopted under this act and a tax imposed  
11 and collected under that ordinance is revived. The governing body  
12 shall set the rate of tax in increments of 1/4 of 1% that shall not  
13 exceed 5%.

14           (2) A uniform city utility users tax ordinance may be lawfully  
15 adopted or rescinded by the governing body at any time and its  
16 adoption shall become effective on the first day of any month,  
17 following adoption of the ordinance, as specified in the ordinance.  
18 The ordinance may be rescinded at any time by the governing body in  
19 the same manner in which the ordinance was adopted and with  
20 appropriate enforcement, collection, and refund provisions with  
21 respect to liabilities incurred before the effective date of its  
22 rescission. The ordinance shall not be amended except as provided  
23 by the legislature. A village and a city under ~~750,000~~ **600,000**  
24 population shall not impose and collect a utility users tax. A city  
25 that adopts or rescinds the tax shall notify within 7 days by  
26 certified mail all public utilities or resale customers affected by  
27 the action of the governing body. Except as otherwise provided in

1 this section, a city now having or that may attain a population of  
2 ~~750,000~~ 600,000 or more shall not impose a utility users tax except  
3 by adopting the entire uniform city utility users tax ordinance as  
4 set forth in chapter 2.

5 (3) The administrator, as that term is defined in chapter 2,  
6 of the tax shall file a report indicating the total amount of  
7 revenue collected in the prior fiscal year with the state revenue  
8 commissioner by August 1 of each year, beginning on August 1, 1985.  
9 The administrator shall make the report available to the public at  
10 the same time.

11 (4) The revenue generated from this tax shall be placed  
12 directly in the budget of the police department of a city described  
13 in this act and shall be used exclusively to retain or hire police  
14 officers.

15 (5) As used in this section, "police officer" means a police  
16 officer, investigator, or police sergeant.

17 Enacting section 1. This amendatory act is retroactive and  
18 takes effect January 1, 2011.