

SENATE BILL No. 6

January 16, 2013, Introduced by Senator PROOS and referred to the Committee on Appropriations.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 25 (MCL 205.75), as amended by 2012 PA 226.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 25. (1) All money received and collected under this act
2 shall be deposited by the department in the state treasury to the
3 credit of the general fund, except as otherwise provided in this
4 section.

5 (2) Fifteen percent of the collections of the tax imposed at a
6 rate of 4% shall be distributed to cities, villages, and townships
7 pursuant to the Glenn Steil state revenue sharing act of 1971, 1971
8 PA 140, MCL 141.901 to 141.921.

9 (3) Sixty percent of the collections of the tax imposed at a

1 rate of 4% shall be deposited in the state school aid fund
2 established in section 11 of article IX of the state constitution
3 of 1963 and distributed as provided by law. In addition, all of the
4 collections of the tax imposed at the additional rate of 2%
5 approved by the electors March 15, 1994 shall be deposited in the
6 state school aid fund.

7 (4) Not less than 27.9% of 25% of the collections of the
8 general sales tax imposed at a rate of 4% directly or indirectly on
9 fuels sold to propel motor vehicles upon highways, on the sale of
10 motor vehicles, and on the sale of the parts and accessories of
11 motor vehicles by new and used car businesses, used car businesses,
12 accessory dealer businesses, and gasoline station businesses as
13 classified by the department of treasury shall be deposited each
14 year into the comprehensive transportation fund created in section
15 10b of 1951 PA 51, MCL 247.660b.

16 (5) For the fiscal year ending September 30, 2013 ~~only, AND~~
17 **EACH FISCAL YEAR ENDING AFTER SEPTEMBER 30, 2013**, an amount equal
18 to 18% of the collections of the tax imposed at a rate of 4% under
19 this act from the sale of motor fuel, as that term is defined in
20 section 4 of the motor fuel tax act, 2000 PA 403, MCL 207.1004,
21 shall be distributed as follows:

22 (a) An amount sufficient to match available federal highway
23 funds shall be deposited into the state trunk line fund created in
24 section 11 of 1951 PA 51, MCL 247.661, for the purpose of matching
25 federal aid highway funds as those federal funds are made available
26 to this state, but not less than 39.1%. ~~subject to subdivision (c).~~

27 (b) After the distribution under subdivision (a), any

1 remaining balance ~~, subject to subdivision (c),~~ shall be
2 distributed as follows:

3 (i) 66% to the county road commissions of this state, which
4 distribution shall be administered under section 12 of 1951 PA 51,
5 MCL 247.662.

6 (ii) 34% to the cities and villages of this state, which
7 distribution shall be administered under section 13 of 1951 PA 51,
8 MCL 247.663.

9 ~~—— (c) Funds distributed under this subsection shall not exceed~~
10 ~~\$100,000,000.00.~~

11 ~~—— (6) For the fiscal year ending September 30, 2013 only and~~
12 ~~except as otherwise limited in this subsection after the~~
13 ~~allocations and distributions are made pursuant to subsections (2)~~
14 ~~and (3), an amount equal to the collections of the tax imposed at a~~
15 ~~rate of 4% under this act from the sale at retail of aviation fuel~~
16 ~~and aviation products shall be deposited in the state aeronautics~~
17 ~~fund and shall be expended, on appropriation, only for those~~
18 ~~purposes authorized in the aeronautics code of the state of~~
19 ~~Michigan, 1945 PA 327, MCL 259.1 to 259.208. Not more than~~
20 ~~\$10,000,000.00 shall be deposited in the state aeronautics fund~~
21 ~~under this subsection. As used in this subsection, "state~~
22 ~~aeronautics fund" means the state aeronautics fund created in~~
23 ~~section 34 of the aeronautics code of the state of Michigan, 1945~~
24 ~~PA 327, MCL 259.34.~~

25 (6) ~~(7)~~ An amount equal to the collections of the tax imposed
26 at a rate of 4% under this act from the sale at retail of computer
27 software as defined in section 1a shall be deposited in the

1 Michigan health initiative fund created in section 5911 of the
2 public health code, 1978 PA 368, MCL 333.5911, and shall be
3 considered in addition to, and is not intended as a replacement for
4 any other money appropriated to the department of community health.
5 The funds deposited in the Michigan health initiative fund on an
6 annual basis shall not be less than \$9,000,000.00 or more than
7 \$12,000,000.00.

8 (7) ~~(8)~~—The balance in the state general fund shall be
9 disbursed only on an appropriation or appropriations by the
10 legislature.