

# SENATE JOINT RESOLUTION FF

March 25, 2014, Introduced by Senators CASWELL and JONES and referred to the Committee on Appropriations.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 8 of article IX, to increase the sales tax rate and to dedicate that revenue to transportation purposes.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to increase the sales tax rate and to dedicate that revenue to transportation purposes, 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% of their gross taxable sales of tangible personal property.

Beginning May 1, 1994, the sales tax shall be imposed on

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

9 BEGINNING OCTOBER 1, 2014, THE SALES TAX SHALL BE IMPOSED ON  
10 RETAILERS AT AN ADDITIONAL RATE OF 1% OF THEIR GROSS TAXABLE SALES  
11 OF TANGIBLE PERSONAL PROPERTY NOT EXEMPT BY LAW AND THE USE TAX AT  
12 AN ADDITIONAL RATE OF 1%. THE PROCEEDS OF THE SALES AND USE TAXES  
13 IMPOSED AT THE ADDITIONAL RATE OF 1% SHALL, AFTER THE PAYMENT OF  
14 NECESSARY COLLECTION EXPENSES, BE USED EXCLUSIVELY FOR THE  
15 TRANSPORTATION PURPOSES OF PLANNING, ADMINISTERING, CONSTRUCTING,  
16 RECONSTRUCTING, FINANCING, AND MAINTAINING STATE, COUNTY, CITY, AND  
17 VILLAGE ROADS, STREETS, AND BRIDGES DESIGNED PRIMARILY FOR THE USE  
18 OF MOTOR VEHICLES USING TIRES, AND REASONABLE APPURTENANCES TO  
19 THOSE STATE, COUNTY, CITY, AND VILLAGE ROADS, STREETS, AND BRIDGES.  
20 THE LEGISLATURE MAY AUTHORIZE THE INCURRENCE OF INDEBTEDNESS AND  
21 THE ISSUANCE OF OBLIGATIONS PLEDGING THE PROCEEDS OF THE SALES AND  
22 USE TAXES IMPOSED AT THE ADDITIONAL RATE OF 1% ALLOCATED OR  
23 AUTHORIZED TO BE ALLOCATED BY THIS PARAGRAPH, WHICH OBLIGATIONS  
24 SHALL NOT BE CONSTRUED TO BE EVIDENCES OF STATE INDEBTEDNESS UNDER  
25 THIS CONSTITUTION.

26 No sales tax or use tax shall be charged or collected from and  
27 after January 1, 1975 on the sale or use of prescription drugs for

1 human use, or on the sale or use of food for human consumption  
2 except in the case of prepared food intended for immediate  
3 consumption as defined by law. This provision shall not apply to  
4 alcoholic beverages.

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