

# HOUSE BILL No. 5170

December 17, 2015, Introduced by Rep. Townsend 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 2014 PA 80.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

10       (3) From the money received and collected under this act for  
11       the state share, an amount equal to all revenue lost under the

1 state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and  
2 all revenue lost from basic school operating mills as a result of  
3 the exemption of personal property under sections 9m, 9n, and 9o of  
4 the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and  
5 211.9o, **AND ALL REVENUE LOST TO THE SCHOOL AID FUND AS A RESULT OF**  
6 **THE EXEMPTIONS UNDER SECTION 4CC OF THIS ACT AND SECTION 4EE OF THE**  
7 **GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.54EE**, as determined by  
8 the department, shall be deposited into the state school aid fund  
9 established by section 11 of article IX of the state constitution  
10 of 1963. Funds deposited into the state school aid fund under this  
11 subsection shall not include the portion of the state share of the  
12 use tax imposed at the additional rate of 2% approved by the  
13 electors of this state on March 15, 1994 and dedicated for aid to  
14 schools under subsection (2).

15 (4) Money received and collected under this act for the local  
16 community stabilization share is not state funds, shall not be  
17 credited to the state treasury, and shall be transmitted to the  
18 authority for deposit in the treasury of the authority, to be  
19 disbursed by the authority only as authorized under the local  
20 community stabilization authority act. The local community  
21 stabilization share is a local tax, not a state tax, and money  
22 received and collected for the local community stabilization share  
23 is money of the authority and not money of this state.

24 Enacting section 1. This amendatory act does not take effect  
25 unless all of the following bills of the 98th Legislature are  
26 enacted into law:

27 (a) Senate Bill No. 616.

1 (b) Senate Bill No. 617.