

**LOCAL COMMUNITY STABILIZATION AUTHORITY ACT (EXCERPT)**  
**Act 86 of 2014**

**123.1352 Local community stabilization share; power of authority to levy; limitation; receipt and collection by department; generated money as money of authority.**

Sec. 12. (1) The authority has the exclusive power to levy the local community stabilization share under the use tax act, 1937 PA 94, MCL 205.91 to 205.111. The authority is authorized to levy the local community stabilization share under the use tax act, 1937 PA 94, MCL 205.91 to 205.111, and shall levy the local community stabilization share at the rate provided under section 3 of the use tax act, 1937 PA 94, MCL 205.93, but is not authorized to increase the rate of the local community stabilization share. The authority is not authorized to increase any other tax.

(2) The department shall administer under the use tax act, 1937 PA 94, MCL 205.91 to 205.111, the receipt and collection of the local community stabilization share on behalf of the authority as an agent of the authority. The authority may enter into an agreement with the department relating to the receipt and collection of the local community stabilization share and the payment of the authority revenue generated by the local community stabilization share to the authority.

(3) Money generated by the local community stabilization share is money of the authority, not state funds, and shall not be credited to the state treasury as state funds.

**History:** 2014, Act 86, Eff. Aug. 22, 2014.

**Compiler's note:** Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

**Compiler's note:** Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES [ ]

NO [ ]".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.