

**GLENN STEIL STATE REVENUE SHARING ACT OF 1971 (EXCERPT)**  
**Act 140 of 1971**

**141.905 Definitions.**

Sec. 5. (1) "Local tax effort rate" for a city, village, or township means its local taxes divided by its taxable value.

(2) "Statewide tax effort rate" means the total local taxes in the state divided by the total taxable value.

(3) "Relative tax effort rate" means the local tax effort rate for a city, village, or township divided by the statewide tax effort rate.

(4) "Tax effort formula" means the method for computing, from the total amount of revenue available for distribution under the formula at any single time, the amount to be paid to a city, village, or township determined as follows:

(a) Multiply the relative tax effort for the city, village, or township by the population of the city, village, or township.

(b) Divide the total amount of revenue available for distribution under the formula at any single time by the sum of the products determined under subdivision (a).

(c) Multiply the quotient determined under subdivision (b) by the individual products determined under subdivision (a) for each city, village, or township.

(5) "Taxable value" means that value determined under section 27a of the general property tax act, Act No. 206 of the Public Acts of 1893, being section 211.27a of the Michigan Compiled Laws.

**History:** 1971, Act 140, Imd. Eff. Sept. 30, 1971;—Am. 1972, Act 212, Imd. Eff. July 7, 1972;—Am. 1996, Act 342, Imd. Eff. June 27, 1996.