

**USE TAX ACT (EXCERPT)**  
**Act 94 of 1937**

**205.109 Collection or payment of tax; benefit to state, authority, and metropolitan areas.**

Sec. 19. (1) The tax collected by the seller from the consumer or lessee under this act is for the benefit of this state, the authority, and the metropolitan areas of this state, including, but not limited to, local communities within the metropolitan areas. A person other than this state, the authority, and the metropolitan areas of this state shall not derive a benefit from the collection or payment of this tax.

(2) The legislature finds and declares that the purpose of the amendatory act that added this subsection is modernizing the tax system to help small businesses grow and create jobs in this state.

**History:** Add. 2004, Act 172, Eff. Sept. 1, 2004;—Am. 2014, Act 80, Eff. Jan. 1, 2015.

**Compiler's note:** Former MCL 205.109, which pertained to penalty for general violations, was repealed by Act 165 of 1980, Eff. Sept. 17, 1980.

Enacting section 1 of Act 80 of 2014 provides:

"Enacting section 1. This amendatory act does not take effect unless approved by a majority of the registered and qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014. Except as otherwise provided in this enacting section, this amendatory act shall be submitted to the registered and qualified electors of this state at that election as provided by the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, and for the purpose of complying with section 31 of article IX of the state constitution of 1963. Notwithstanding other law, when submitted to the registered and qualified electors of this state, this amendatory act shall be presented with the following question:

"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 ☐.

Enacting section 2 of Act 80 of 2014 provides:

"Enacting section 2. If approved by the registered and qualified electors of this state as provided in enacting section 1, this amendatory act takes effect January 1, 2015."

**Compiler's note:** 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.

**Compiler's note:** The conditions in enacting section 1 of Act 408 of 2012 were not met. Act 408 of 2012 did not go into effect.

**Compiler's note:** The conditions in enacting section 1 of Act 81 of 2014 were not met. Act 81 of 2014 did not go into effect.