

HOUSE BILL No. 4268

February 13, 1991, Introduced by Rep. Webb and referred to the Committee on Appropriations.

A bill to amend section 25 of Act No. 167 of the Public Acts of 1933, entitled as amended "General sales tax act," as amended by Act No. 259 of the Public Acts of 1987, being section 205.75 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 25 of Act No. 167 of the Public Acts of
2 1933, as amended by Act No. 259 of the Public Acts of 1987, being
3 section 205.75 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 25. (1) All sums of money received and collected under
6 this act shall be deposited by the department in the state trea-
7 sury to the credit of the general fund, except as provided in
8 this section.

1 (2) Fifteen percent of the collections shall be distributed
2 to cities, villages, and townships pursuant to the state revenue
3 sharing act of 1971, Act No. 140 of the Public Acts of 1971,
4 being sections 141.901 to 141.921 of the Michigan Compiled Laws.

5 (3) Sixty percent of the collections shall be transferred to
6 the state school aid fund created by section 11 of article IX of
7 the state constitution of 1963 and distributed as provided by
8 law.

9 (4) For the fiscal year ending September 30, 1988 and each
10 fiscal year thereafter, of the 25% of the collections of the gen-
11 eral sales tax imposed directly or indirectly on fuels sold to
12 propel motor vehicles upon highways, on the sale of motor vehi-
13 cles, and on the sale of the parts and accessories of motor vehi-
14 cles by new and used car businesses, used car businesses, acces-
15 sory dealer businesses, and gasoline station businesses as clas-
16 sified by the department of treasury remaining after the alloca-
17 tions and distributions are made pursuant to subsections (2) and
18 (3), the following amounts shall be deposited each year into the
19 respective funds:

20 (a) Not less than 27.9% to the comprehensive transportation
21 fund. HOWEVER, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1991
22 ONLY, THE AMOUNT TO BE DEPOSITED IN THE COMPREHENSIVE TRANSPORTA-
23 TION FUND SHALL BE REDUCED BY \$5,000,000.00. BEGINNING
24 OCTOBER 1, 1992 THE AMOUNT TO BE DEPOSITED EACH YEAR IN THE COM-
25 PREHENSIVE TRANSPORTATION FUND PURSUANT TO THIS SUBDIVISION SHALL
26 BE ADJUSTED EACH YEAR BY THE ANNUAL AVERAGE INCREASE IN THE

1 DETROIT CONSUMER PRICE INDEX FOR THE 12-MONTH PERIOD ENDING ON
2 THE PRECEDING JULY 31, OR 5%, WHICHEVER IS GREATER.

3 (b) The balance to the state general fund.

4 (5) After the allocations and distributions are made pursu-
5 ant to subsections (2) and (3), an amount equal to the collec-
6 tions of the tax imposed by this act from the sale at retail of
7 computer software as defined in section 1 shall be deposited in
8 the Michigan health initiative fund created in section 5911 of
9 the public health code, Act No. 368 of the Public Acts of 1978,
10 being section 333.5911 of the Michigan Compiled Laws and shall be
11 considered in addition to, and is not intended as a replacement
12 for any other money appropriated to the department. ~~At no point~~
13 ~~shall the~~ THE funds deposited in the Michigan health initiative
14 fund on an annual basis SHALL NOT be less than \$9,000,000.00 or
15 more than \$12,000,000.00.

16 (6) The balance in the state general fund shall be disbursed
17 only on an appropriation or appropriations by the legislature.