

**STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993**

Introduced by Senator Schwarz

ENROLLED SENATE BILL No. 608

AN ACT to amend Act No. 281 of the Public Acts of 1967, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, and enforcement by lien and otherwise of taxes on or measured by net income; to prescribe the manner and time of making reports and paying the taxes, and the functions of public officers and others as to the taxes; to permit the inspection of the records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits and refunds of the taxes; to prescribe penalties for the violation of this act; to provide an appropriation; and to repeal certain acts and parts of acts," as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, by adding section 483a; and to repeal certain parts of the act on a specific date.

The People of the State of Michigan enact:

Section 1. Act No. 281 of the Public Acts of 1967, as amended, being sections 206.1 to 206.532 of the Michigan Compiled Laws, is amended by adding section 483a to read as follows:

Sec. 483a. (1) For the 1994 through 2003 tax years, from the gross collections under this act, the amount determined pursuant to subsection (2) shall be deposited each year in the federal data facility fund created in the federal data facility act to be appropriated and used solely for the purposes of that fund.

(2) The amount to be deposited in the federal data facility fund each year shall equal the effective tax rate as determined by the department using the most recently available tax year data multiplied by the payroll of qualified employees of each qualified employer.

(3) An appropriation shall be made each year by the legislature pursuant to this section from the taxes collected pursuant to this act.

(4) A qualified employer shall report all necessary information as may be required by the department to compute the deposit to the federal data facility fund pursuant to subsection (1).

(5) As used in this section:

(a) "Average salary of a qualified employee" means the total payroll of a qualified employer for all full-time equivalent qualified employees divided by the number of full-time equivalent qualified employees of the qualified employer.

(b) "Effective tax rate" means the gross tax liability after credits of all taxpayers with adjusted gross income within the next lower and next higher integral multiple of \$5,000.00 of the average salary of a qualified employee divided by the aggregate adjusted gross income of all taxpayers with adjusted gross income within the next lower and next higher integral multiple of \$5,000.00 of the average salary of a qualified employee.

(c) "Payroll" means the total compensation subject to withholding under section 351 before deducting any personal or dependency exemptions.

(d) "Qualified employee" means a person who meets both of the following criteria:

(i) Is employed by a qualified employer.

(ii) His or her principal workplace is a qualified facility within a qualified local unit of government.

(e) "Qualified employer" means the federal government.

(f) "Qualified facility" and "qualified local unit of government" mean those terms as defined in the federal data facility act.

Section 2. Except as otherwise provided in this enacting section, this amendatory act shall take effect on January 1, 1994. This amendatory act shall not take effect if either of the following occurs before January 1, 1994:

(a) The qualified facility is on the final list of base or facility closures submitted by the defense base realignment and closure commission (BRAC) to the president of the United States.

(b) The qualified facility is on the list of base or facility closures submitted by the president of the United States to congress.

This act is ordered to take immediate effect.

Secretary of the Senate.

Co-Clerk of the House of Representatives.

Approved -----

Governor.