

SENATE BILL No. 1103

March 18, 2004, Introduced by Senator JOHNSON and referred to the Committee on Appropriations.

A bill to amend 1933 PA 167, entitled
"General sales tax act,"
by amending section 25 (MCL 205.75), as amended by 2003 PA 139.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 25. (1) All money received and collected under this
2 act shall be deposited by the department in the state treasury to
3 the credit of the general fund, except as otherwise provided in
4 this section.

5 (2) Fifteen percent of the collections of the tax imposed at
6 a rate of 4% shall be distributed to cities, villages, and
7 townships pursuant to the Glenn Steil state revenue sharing act
8 of 1971, 1971 PA 140, MCL 141.901 to 141.921.

9 (3) Sixty percent of the collections of the tax imposed at a
10 rate of 4% shall be deposited in the state school aid fund
11 established in section 11 of article IX of the state constitution

1 of 1963 and distributed as provided by law. In addition, all of
2 the collections of the tax imposed at the additional rate of 2%
3 approved by the electors March 15, 1994 shall be deposited in the
4 state school aid fund.

5 (4) For the fiscal year ending September 30, 1988 ~~and each~~
6 **through the** fiscal year ending ~~after~~ September 30, ~~1988~~ **2004**,
7 of the 25% of the collections of the general sales tax imposed at
8 a rate of 4% directly or indirectly on fuels sold to propel motor
9 vehicles upon highways, on the sale of motor vehicles and on the
10 sale of the parts and accessories of motor vehicles by new and
11 used car businesses, used car businesses, accessory dealer
12 businesses, and gasoline station businesses as classified by the
13 department of treasury remaining after the allocations and
14 distributions are made pursuant to subsections (2) and (3), the
15 following amounts shall be deposited each year into the
16 respective funds:

17 (a) Through the fiscal year ending September 30, 2003, ~~and~~
18 ~~for the fiscal year ending September 30, 2006 and each fiscal~~
19 ~~year ending after September 30, 2006,~~ not less than 27.9% to the
20 comprehensive transportation fund. For the fiscal year ending
21 September 30, 2004, ~~and the fiscal year ending September 30,~~
22 ~~2005,~~ not less than 24% ~~shall be deposited each year in~~ to the
23 comprehensive transportation fund.

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

25 (5) After the allocations and distributions are made pursuant
26 to subsections (2) and (3), an amount equal to the collections of
27 the tax imposed at a rate of 4% under this act from the sale at

1 retail of computer software as defined in section 1 shall be
2 deposited in the Michigan health initiative fund created in
3 section 5911 of the public health code, 1978 PA 368, MCL
4 333.5911, and shall be considered in addition to, and is not
5 intended as a replacement for any other money appropriated to the
6 department of public health. The funds deposited in the Michigan
7 health initiative fund on an annual basis shall not be less than
8 \$9,000,000.00 or more than \$12,000,000.00.

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