

HOUSE BILL NO. 5370

November 14, 2023, Introduced by Reps. Hood, Andrews, McKinney, Farhat, Rogers, Rheingans, Neeley, Dievendorf, Edwards, Brixie, Hope, Paiz, Morgan, Brabec, Price, Young, Grant, Scott, Snyder and Aiyash and referred to the Committee on Health Policy.

A bill to provide for the levy, collection, and administration of an excise tax on the privilege of selling certain paint in this state; to provide for the disposition of the proceeds of the excise tax; to prescribe the powers and duties of certain state departments, agencies, and officials; to allow the promulgation of rules; and to provide for certain exemptions.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. As used in this act:
- 2 (a) "Architectural paint" means interior and exterior
- 3 architectural coatings sold in containers of 5 gallons or less.

1 Architectural paint does not include industrial coatings, original
2 equipment coatings, or specialty coatings.

3 (b) "Department" means the department of treasury.

4 (c) "Wholesaler" means a person that makes a sale for the
5 purposes of resale.

6 Sec. 2. There shall be levied and collected an excise tax on
7 the privilege of selling architectural paint in this state at a
8 rate of 25 cents per gallon. The department may allocate the excise
9 tax on a per-ounce basis for amounts less than 1 gallon. The excise
10 tax shall be collected from the manufacturer if the architectural
11 paint is manufactured in this state, by the wholesaler or the
12 person from whom the architectural paint is purchased if
13 manufactured outside this state but sold in this state, or from the
14 purchaser if the architectural paint is manufactured and purchased
15 outside of this state.

16 Sec. 3. The excise tax imposed by this act shall be collected
17 at the same time and in the same manner as the tax imposed by the
18 use tax act, 1937 PA 94, MCL 205.91 to 205.111.

19 Sec. 4. (1) The excise tax imposed by this act shall be
20 administered by the state treasurer under 1941 PA 122, MCL 205.1 to
21 205.31.

22 (2) The state treasurer shall prescribe the forms necessary
23 for the administration of this act and may promulgate necessary
24 rules under the administrative procedures act of 1969, 1969 PA 306,
25 MCL 24.201 to 24.328.

26 Sec. 5. A taxpayer may obtain reimbursement by adding the
27 amount of the excise tax to the sale price of the architectural
28 paint.

29 Sec. 6. Proceeds from the collection of the excise tax imposed

1 by this act shall be deposited in the state treasury in a
2 restricted account to be used only for lead abatement and lead
3 reduction in residential dwellings as provided in part 54a of the
4 public health code, 1978 PA 368, MCL 333.5451 to 333.5477.

5 Sec. 7. The manufacturer of architectural paint in this state
6 or the wholesaler or person from whom architectural paint is
7 purchased in this state shall provide the purchaser of the
8 architectural paint with a certificate certifying that the excise
9 tax has been or shall be paid.