

EXCISE TAX ON BUSINESS OF PROVIDING ACCOMMODATIONS (EXCERPT)
Act 263 of 1974

141.862a Local unit of government excise tax on persons engaged in business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; exempt accommodations; amendment or repeal of ordinance; tax rate; subject to vote of electors in compliance with state constitution and subsection (1).

Sec. 2a.

(1) Subject to subsection (4), the local governing body of a local unit of government that is located in a county with a population of more than 600,000 and less than 775,000 may enact an ordinance to levy, assess, and collect an excise tax from all persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes, except in hospitals or nursing homes, to transient guests, whether or not membership is required for the use of the accommodations.

(2) An ordinance described in subsection (1) may be amended or repealed in the same manner as it was adopted.

(3) The excise tax imposed by a local unit of government must be at a rate of not more than 2% of the total charge for accommodations subject to this act.

(4) The local governing body of a local unit of government shall not levy an excise tax unless a majority of the qualified electors of that local unit of government voting on the question approve the levy of the excise tax in compliance with section 31 of article IX of the state constitution of 1963.

(5) If a local unit of government meets the requirements of subsection (1) on the date it enacts an ordinance, the local unit of government may continue to levy, assess, and collect the excise tax.

History: Add. 2024, Act 35, Imd. Eff. Apr. 2, 2024

Popular Name: Accommodations Tax Act