

HOUSE BILL No. 4333

March 2, 1989, Introduced by Reps. Bandstra, Jondahl and Fitzgerald and referred to the Committee on Taxation.

A bill to amend sections 1 and 7 of Act No. 263 of the Public Acts of 1974, entitled

"An act to permit counties to impose and collect an excise tax on persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; to provide for the disposition of the revenues thereof; and to prescribe penalties,"

being sections 141.861 and 141.867 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1 and 7 of Act No. 263 of the Public
2 Acts of 1974, being sections 141.861 and 141.867 of the Michigan
3 Compiled Laws, are amended to read as follows:

4 Sec. 1. As used in this act:

5 (a) "Accommodations" means the room or other space provided
6 for sleeping, including furnishings and other accessories
7 therein. Accommodations do not include food and beverages.

1 (b) "Administrator" means the official designated by the
2 county to collect the tax and to administer and enforce the
3 ordinance.

4 (c) "Convention and entertainment facilities" means all or
5 any part, or any combination of convention halls, auditoriums,
6 stadiums, music halls, arenas, meeting rooms, exhibit areas,
7 MUSEUMS, and related public areas.

8 (d) "Person" means a natural person, partnership, fiduciary,
9 association, corporation, or other entity.

10 (e) "Revenues" means the income derived from the tax, plus
11 interest and penalties imposed by this act, levied and assessed
12 under an ordinance adopted pursuant to this act.

13 (f) "Transient guest" means a natural person staying less
14 than 30 consecutive days.

15 Sec. 7. The revenues derived from the taxes imposed pursu-
16 ant to this act shall be deposited in a special fund to be used
17 by the county or by an authority ~~which~~ THAT is organized pursu-
18 ant to state law, together with other available funds only to
19 pay:

20 (a) The cost of administration and enforcement of the
21 ordinance.

22 (b) The financing of the acquisition, construction, improve-
23 ment, enlargement, repair, or maintenance of convention and
24 entertainment facilities, including the payment of principal and
25 interest, when due, on bonds or other evidence of indebtedness
26 issued by the county for convention and entertainment
27 facilities.

1 (c) Current or future annual rental payable by the county to
2 an authority organized pursuant to state law for the purpose of
3 acquiring, constructing, improving, enlarging, repairing, or
4 maintaining the convention and entertainment facilities and leas-
5 ing them to the county.

6 (d) The promotion and encouragement of tourist and conven-
7 tion business in the county INCLUDING, BUT NOT LIMITED TO, THE
8 FINANCING OF FESTIVALS.