



# HOUSE JOINT RESOLUTION T

September 27, 1995, Introduced by Rep. Nye and referred to the Committee on Judiciary and Civil Rights.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 9 of article VIII and sections 8 and 9 of article IX, to provide for the financing of the judicial branch and for the financing of transportation in this state.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to provide for the financing of the judicial branch and for the financing of transportation in this state, is proposed, agreed to, and submitted to the people of the state:

## ARTICLE VIII

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2       Sec. 9. The legislature shall provide by law for the estab-  
3 lishment and support of public libraries which shall be available  
4 to all residents of the state under regulations adopted by the  
5 governing bodies thereof. ~~All fines assessed and collected in~~

~~1 the several counties, townships and cities for any breach of the~~  
~~2 penal laws shall be exclusively applied to the support of such~~  
~~3 public libraries, and county law libraries as provided by law.~~

4 ARTICLE IX

5 Sec. 8. Except as provided in this section, the Legislature  
6 shall not impose a sales tax on retailers at a rate of more than  
7 4% of their gross taxable sales of tangible personal property.

8 Beginning May 1, 1994, the sales tax shall be imposed on  
9 retailers at an additional rate of 2% of their gross taxable  
10 sales of tangible personal property not exempt by law and the use  
11 tax at an additional rate of 2%. The proceeds of the sales and  
12 use taxes imposed at the additional rate of 2% shall be deposited  
13 in the state school aid fund established in section 11 of this  
14 article. The allocation of sales tax revenue required or autho-  
15 rized by sections 9 and 10 of this article does not apply to the  
16 revenue from the sales tax imposed at the additional rate of 2%.

17 BEGINNING JANUARY 1, 1997, THE SALES TAX SHALL BE IMPOSED ON  
18 RETAILERS AT AN ADDITIONAL RATE OF 1% OF THEIR GROSS TAXABLE  
19 SALES OF TANGIBLE PERSONAL PROPERTY NOT EXEMPT BY LAW AND THE USE  
20 TAX AT AN ADDITIONAL RATE OF 1%. THE ALLOCATION OF SALES TAX  
21 REVENUE REQUIRED OR AUTHORIZED BY SECTIONS 10 AND 11 OF THIS  
22 ARTICLE DOES NOT APPLY TO THE REVENUE FROM THE SALES TAX IMPOSED  
23 AT THE ADDITIONAL RATE OF 1%. EXCEPT AS PROVIDED IN SECTION 9 OF  
24 THIS ARTICLE, THE PROCEEDS OF THE SALES AND USE TAXES IMPOSED AT  
25 THE ADDITIONAL RATE OF 1% SHALL BE ALLOCATED IN THE FOLLOWING  
26 MANNER:

1 (A) NINETY-THREE PERCENT FOR TRANSPORTATION PURPOSES AS  
2 DESCRIBED IN SECTION 9 OF THIS ARTICLE.

3 (B) FIVE PERCENT FOR THE SUPPORT OF PUBLIC LIBRARIES AND  
4 COUNTY LAW LIBRARIES AS PROVIDED BY LAW.

5 (C) ONE PERCENT FOR SECONDARY ROAD PATROL AND TRAFFIC ACCI-  
6 DENT PREVENTION GRANTS AS PROVIDED BY LAW.

7 (D) ONE PERCENT FOR HIGHWAY SAFETY AND JUSTICE TRAINING AS  
8 PROVIDED BY LAW.

9 No sales tax or use tax shall be charged or collected from  
10 and after January 1, 1975 on the sale or use of prescription  
11 drugs for human use, or on the sale or use of food for human con-  
12 sumption except in the case of prepared food intended for immedi-  
13 ate consumption as defined by law. This provision shall not  
14 apply to alcoholic beverages.

15 Sec. 9. All specific taxes, except ~~general sales and use~~  
16 ~~taxes and~~ regulatory fees, imposed directly or indirectly on  
17 ~~fuels sold or used to propel motor vehicles upon highways and to~~  
18 ~~propel aircraft and on~~ registered motor vehicles and aircraft  
19 AND THAT PORTION AS PROVIDED BY SECTION 8 OF THIS ARTICLE OF THE  
20 ADDITIONAL 1% SALES AND USE TAXES IMPOSED BEGINNING JANUARY 1,  
21 1997 BY SECTION 8 OF THIS ARTICLE shall, after the payment of  
22 necessary collection expenses, be used exclusively for transpor-  
23 tation purposes as set forth in this section.

24 Not less than 90 percent of the specific taxes, except  
25 ~~general sales and use taxes and~~ regulatory fees, imposed  
26 directly or indirectly on ~~fuels sold or used to propel motor~~  
27 ~~vehicles upon highways and on~~ registered motor vehicles AND THAT

1 PORTION AS PROVIDED BY SECTION 8 OF THIS ARTICLE, EXCEPT AS  
2 OTHERWISE PROVIDED IN THIS SECTION, OF THE ADDITIONAL 1% SALES  
3 AND USE TAXES IMPOSED BEGINNING JANUARY 1, 1997 BY SECTION 8 OF  
4 THIS ARTICLE shall, after the payment of necessary collection  
5 expenses, be used exclusively for the transportation purposes of  
6 planning, administering, constructing, reconstructing, financing,  
7 and maintaining state, county, city, and village roads, streets,  
8 and bridges designed primarily for the use of motor vehicles  
9 using tires, and reasonable appurtenances to those state, county,  
10 city, and village roads, streets, and bridges.

11 The balance, if any, of the specific taxes, except ~~general~~  
12 ~~sales and use taxes and~~ regulatory fees, imposed directly or  
13 indirectly on ~~fuels sold or used to propel motor vehicles upon~~  
14 ~~highways and on~~ registered motor vehicles, after the payment of  
15 necessary collection expenses; 100 percent of the specific taxes,  
16 except ~~general sales and use taxes and~~ regulatory fees, imposed  
17 directly or indirectly on ~~fuels sold or used to propel aircraft~~  
18 ~~and on~~ registered aircraft, after the payment of necessary col-  
19 lection expenses; THE BALANCE, EXCEPT AS OTHERWISE PROVIDED IN  
20 THIS PARAGRAPH, OF THAT PORTION AS PROVIDED BY SECTION 8 OF THIS  
21 ARTICLE OF THE ADDITIONAL 1% SALES AND USE TAXES IMPOSED BEGIN-  
22 NING JANUARY 1, 1997 BY SECTION 8 OF THIS ARTICLE; and not more  
23 than 25 percent of the general sales taxes, imposed directly or  
24 indirectly on fuels sold to propel motor vehicles upon highways,  
25 on the sale of motor vehicles, and on the sale of the parts and  
26 accessories of motor vehicles, after the payment of necessary  
27 collection expenses; shall be used exclusively for the

1 transportation purposes of comprehensive transportation purposes  
2 as defined by law.

3 BEGINNING JANUARY 1, 1997, THE LEGISLATURE SHALL NOT IMPOSE  
4 A SPECIFIC TAX DIRECTLY OR INDIRECTLY ON FUELS SOLD OR USED TO  
5 PROPEL MOTOR VEHICLES ON HIGHWAYS AND TO PROPEL AIRCRAFT WITHOUT  
6 THE APPROVAL OF A MAJORITY OF THE QUALIFIED ELECTORS OF THIS  
7 STATE.

8 The legislature may authorize the incurrence of indebtedness  
9 and the issuance of obligations pledging the taxes allocated or  
10 authorized to be allocated by this section, which obligations  
11 shall not be construed to be evidences of state indebtedness  
12 under this constitution.

13 Resolved further, That the foregoing amendment shall be sub-  
14 mitted to the people of the state at the next general election in  
15 the manner provided by law.