Senate Fiscal Agency P. O. Box 30036 Lansing, Michigan 48909-7536



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Senate Bill 311 (as introduced 2-16-99)

Sponsor: Senator Dave Jaye

Committee: Finance

Date Completed: 3-16-99

CONTENT

The bill would amend the General Sales Tax Act to exclude from the tax sales of medical equipment used in the dispensing of any form of medication for diabetes, including syringes; or used in testing blood for the control and treatment of diabetes.

Proposed MCL 205.54h Legislative Analyst: G. Towne

FISCAL IMPACT

This bill would reduce sales tax collections by an estimated \$9.5 million in FY 1999-2000. Given the current constitutional and statutory distribution of sales tax revenue, this loss in revenue would affect the following budget areas: School Aid Fund revenue would decline \$6.9 million from what it otherwise will be, revenue sharing revenue would decrease \$2.3 million, and General Fund/General Purpose revenue would decline \$0.3 million.

Fiscal Analyst: J. Wortley

J. Walker