

SENATE BILL NO. 324

February 18, 1999, Introduced by Senators JAYE and SHUGARS and referred to the Committee on Appropriations.

A bill to amend 1971 PA 140, entitled "Glenn Steil state revenue sharing act of 1971," by amending sections 11 and 13 (MCL 141.911 and 141.913), as amended by 1998 PA 532.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 11. (1) For state fiscal years before the 1996-1997
2 state fiscal year, the department of management and budget shall
3 cause to be paid during each August, November, February, and May,
4 to counties on a per capita basis the collections from the state
5 income tax as certified by the department of treasury for the
6 quarter periods ending the prior June 30, September 30, December
7 31, and March 31 that are available for distribution to and
8 retention by counties.
- 9 (2) For state fiscal years beginning after September 30,
10 1992 and ending before October 1, 1996, the collections from the

1 state income tax otherwise available for distribution to counties
2 in November for the quarter period ending the prior September 30
3 shall be increased by \$35,900,000.00 and the collections from the
4 state income tax otherwise available for distribution to counties
5 in August for the quarter period ending the prior June 30 shall
6 be decreased by \$35,900,000.00.

7 (3) For the 1996-1997 and 1997-1998 state fiscal years, the
8 department of treasury shall cause to be paid to counties on a
9 per capita basis an amount equal to 24.5% of the difference
10 between 21.3% of the sales tax collections at a rate of 4% in the
11 12-month period ending June 30 of the state fiscal year in which
12 the payments are made and the total distribution for the state
13 fiscal year under section 12a. Subject to section 13d, for the
14 1998-1999 through 2005-2006 state fiscal years and for the period
15 of October 1, 2006 through June 30, 2007, the department of trea-
16 sury shall cause to be paid to counties both of the following:

17 (a) An amount equal to the amount the county was eligible to
18 receive under section 12a in the 1997-1998 state fiscal year.

19 (b) An amount equal to 25.06% of 21.3% of the sales tax col-
20 lections at a rate of 4% in the 12-month period ending June 30 of
21 the state fiscal year in which the payments are made minus the
22 amount determined under subdivision (a) which shall be distrib-
23 uted on a per capita basis. If the amount appropriated under
24 this section to counties is less than 25.06% of 21.3% of the
25 sales tax rate of 4%, any reduction made necessary by this appro-
26 priation in distributions to counties shall first be applied to
27 the distribution under this subdivision.

1 ~~(4) After June 30, 2007, 25.06% of 21.3% of the sales tax~~
2 ~~collections at a rate of 4% shall be distributed to counties as~~
3 ~~provided by law.~~

4 (4) ~~(5)~~ The payments under subsection (3) shall be made
5 from revenues collected during the state fiscal year in which the
6 payments are made and shall be made during each October,
7 December, February, April, June, and August. Payments shall be
8 based on collections from the sales tax at a rate of 4% in the
9 2-month period ending the prior August 31, October 31, December
10 31, February 28, April 30, and June 30, and for the 1996-1997 and
11 1997-1998 state fiscal years only the payments shall be reduced
12 by 1/6 of the total distribution for the state fiscal year under
13 section 12a. For state fiscal years after the 1995-1996 state
14 fiscal year, the collections from the sales tax otherwise avail-
15 able for distribution to counties under subsection (3) in
16 December shall be increased by \$17,000,000.00 and the collections
17 from the sales tax otherwise available for distribution to coun-
18 ties under subsection (3) in April shall be decreased by
19 \$17,000,000.00.

20 Sec. 13. (1) This subsection and subsection (2) apply to
21 distributions to cities, villages, and townships during the state
22 fiscal years before the 1996-1997 state fiscal year of collec-
23 tions from the state income tax and single business tax. Except
24 as otherwise provided in subsection (2), the department of trea-
25 sury shall cause to be paid to each city, village, and township
26 its share, computed in accordance with the tax effort formula, of
27 the following revenues:

1 (a) During each August, November, February, and May, the
2 collections from the state income tax for the quarter periods
3 ending the prior June 30, September 30, December 31, and March 31
4 that are available for distribution to cities, villages, and
5 townships under the income tax act of 1967, 1967 PA 281, MCL
6 206.1 to 206.532.

7 (b) The amount of the collections from the single business
8 tax available for distribution to cities, villages, and townships
9 under former section 136 of the single business tax act, 1975 PA
10 228.

11 (2) The amount of collections of the state income tax other-
12 wise available for distribution to cities, villages, and town-
13 ships in November, February, and May, computed in accordance with
14 the tax effort formula, shall be increased by \$22,600,000.00.
15 The amount of collections otherwise available for distribution to
16 cities, villages, and townships in August, computed in accordance
17 with the tax effort formula, shall be decreased by
18 \$67,800,000.00.

19 (3) This subsection applies to distributions to cities, vil-
20 lages, and townships for the 1996-1997 state fiscal year. The
21 department shall cause to be paid in accordance with the tax
22 effort formula an amount equal to 75.5% of the difference between
23 21.3% of the sales tax collections at a rate of 4% in the
24 12-month period ending June 30 of the state fiscal year in which
25 the payments are made and the total distribution for the state
26 fiscal year under section 12a.

1 (4) The department of treasury shall cause to be paid during
2 the 1997-1998 state fiscal year an amount equal to 75.5% of the
3 difference between 21.3% of the sales tax collections at a rate
4 of 4% in the 12-month period ending June 30 of the state fiscal
5 year in which the payments are made and the total distribution
6 for the state fiscal year under section 12a, both of the
7 following:

8 (a) To each city, village, and township, the amount of col-
9 lections distributed under subsection (3) to cities, villages,
10 and townships for the 1996-1997 state fiscal year or its pro rata
11 share of the collections if the collections are less than the
12 amount of collections distributed under subsection (3) for the
13 1996-1997 state fiscal year. A city's, village's, or township's
14 share of revenues under this subdivision shall be computed using
15 the tax effort formula.

16 (b) To each city, village, and township its share of the
17 collections to the extent the total collections available for
18 distribution under this subsection exceed the amount distributed
19 to cities, villages, and townships under subdivision (a) for the
20 fiscal year. A city's, village's, or township's share of reve-
21 nues under this subdivision shall be computed on a per capita
22 basis.

23 (5) Subject to section 13d, for the 1998-1999 through
24 2005-2006 state fiscal years and for the period of October 1,
25 2006 through June 30, 2007, the department of treasury shall
26 cause ~~distributions determined under subsections (6) to (13)~~ to
27 be paid ON A PER CAPITA BASIS to each city, village, and township

1 ~~from~~ an amount equal to 74.94% of 21.3% of the sales tax
2 collections at a rate of 4% in the 12-month period ending June 30
3 of the state fiscal year in which the payments are made. ~~After~~
4 ~~June 30, 2007, 74.94% of 21.3% of sales tax collections at a rate~~
5 ~~of 4% shall be distributed to cities, villages, and townships as~~
6 ~~provided by law.~~

7 ~~(6) Subject to section 13d, for the 1998-1999 through~~
8 ~~2005-2006 state fiscal years and for the period of October 1,~~
9 ~~2006 through June 30, 2007 and except as provided in subsection~~
10 ~~(15), the department of treasury shall cause to be paid~~
11 ~~\$333,900,000.00 to a city with a population of 750,000 or more as~~
12 ~~the total combined distribution under this act and section 10 of~~
13 ~~article IX of the state constitution of 1963 as annualized for~~
14 ~~any period of less than 12 months to that city.~~

15 ~~(7) Distributions under subsections (8) to (13) to cities,~~
16 ~~villages, and townships with populations of less than 750,000~~
17 ~~shall be made from the amount available for distribution under~~
18 ~~this section that remains after the distribution under subsection~~
19 ~~(6) is made.~~

20 ~~(8) Subject to section 13d, for the 1998-1999 through~~
21 ~~2005-2006 state fiscal years and for the period of October 1,~~
22 ~~2006 through June 30, 2007, for cities, villages, and townships~~
23 ~~with populations of less than 750,000, subject to the limitations~~
24 ~~under this section, a taxable value payment shall be made to each~~
25 ~~city, village, and township determined as follows:~~

26 ~~(a) Determine the per capita taxable value for each city,~~
27 ~~village, and township by dividing the taxable value of that city,~~

~~1 village, or township by the population of that city, village, or
2 township.~~

~~3 (b) Determine the statewide per capita taxable value by
4 dividing the total taxable value of all cities, villages, and
5 townships by the total population of all cities, villages, and
6 townships.~~

~~7 (c) Determine the per capita taxable value ratio for each
8 city, village, and township by dividing the statewide per capita
9 taxable value by the per capita taxable value for that city, vil-
10 lage, or township.~~

~~11 (d) Determine the adjusted taxable value population for each
12 city, village, and township by multiplying the per capita taxable
13 value ratio as determined under subdivision (c) for that city,
14 village, or township by the population of that city, village, or
15 township.~~

~~16 (e) Determine the total statewide adjusted taxable value
17 population which is the sum of all adjusted taxable value popula-
18 tion for all cities, villages, and townships.~~

~~19 (f) Determine the taxable value payment rate by dividing
20 74.94% of 21.3% of the sales tax collections at a rate of 4% in
21 the 12-month period ending June 30 of the state fiscal year in
22 which the payments under this subsection are made by 3, and
23 dividing that result by the total statewide adjusted taxable
24 value population as determined under subdivision (e).~~

~~25 (g) Determine the taxable value payment for each city, vil-
26 lage, and township by multiplying the result under~~

1 ~~subdivision (f) by the adjusted taxable value population for that~~
2 ~~city, village, or township.~~

3 ~~(9) Subject to section 13d, for the 1998-1999 through~~
4 ~~2005-2006 state fiscal years and for the period of October 1,~~
5 ~~2006 through June 30, 2007, subject to the limitations under this~~
6 ~~section and except as provided in subsection (14), a unit type~~
7 ~~population payment shall be made to each city, village, and town-~~
8 ~~ship with a population of less than 750,000 determined as~~
9 ~~follows:~~

10 ~~(a) Determine the unit type population weight factor for~~
11 ~~each city, village, and township as follows:~~

12 ~~(i) For a township with a population of 5,000 or less, the~~
13 ~~unit type population weight factor is 1.0.~~

14 ~~(ii) For a township with a population of more than 5,000 but~~
15 ~~less than 10,001, the unit type population weight factor is 1.2.~~

16 ~~(iii) For a township with a population of more than 10,000~~
17 ~~but less than 20,001, the unit type population weight factor is~~
18 ~~1.44.~~

19 ~~(iv) For a township with a population of more than 20,000~~
20 ~~but less than 40,001, the unit type population weight factor is~~
21 ~~1.73.~~

22 ~~(v) For a township with a population of more than 40,000 but~~
23 ~~less than 80,001, the unit type population weight factor is~~
24 ~~2.07.~~

25 ~~(vi) For a township with a population of more than 80,000,~~
26 ~~the unit type population weight factor is 2.49.~~

1 ~~(vii) For a village with a population of 5,000 or less, the~~
2 ~~unit type population weight factor is 1.5.~~

3 ~~(viii) For a village with a population of more than 5,000~~
4 ~~but less than 10,001, the unit type population weight factor is~~
5 ~~1.8.~~

6 ~~(ix) For a village with a population of more than 10,000,~~
7 ~~the unit type population weight factor is 2.16.~~

8 ~~(x) For a city with a population of 5,000 or less, the unit~~
9 ~~type population weight factor is 2.5.~~

10 ~~(xi) For a city with a population of more than 5,000 but~~
11 ~~less than 10,001, the unit type population weight factor is 3.0.~~

12 ~~(xii) For a city with a population of more than 10,000 but~~
13 ~~less than 20,001, the unit type population weight factor is 3.6.~~

14 ~~(xiii) For a city with a population of more than 20,000 but~~
15 ~~less than 40,001, the unit type population weight factor is~~
16 ~~4.32.~~

17 ~~(xiv) For a city with a population of more than 40,000 but~~
18 ~~less than 80,001, the unit type population weight factor is~~
19 ~~5.18.~~

20 ~~(xv) For a city with a population of more than 80,000 but~~
21 ~~less than 160,001, the unit type population weight factor is~~
22 ~~6.22.~~

23 ~~(xvi) For a city with a population of more than 160,000 but~~
24 ~~less than 320,001, the unit type population weight factor is~~
25 ~~7.46.~~

1 ~~(xvii) For a city with a population of more than 320,000 but~~
2 ~~less than 640,001, the unit type population weight factor is~~
3 ~~8.96.~~

4 ~~(xviii) For a city with a population of more than 640,000,~~
5 ~~the unit type population weight factor is 10.75.~~

6 ~~(b) Determine the adjusted unit type population for each~~
7 ~~city, village, and township by multiplying the unit type popula-~~
8 ~~tion weight factor for that city, village, or township as deter-~~
9 ~~mined under subdivision (a) by the population of the city, vil-~~
10 ~~lage, or township.~~

11 ~~(c) Determine the total statewide adjusted unit type popula-~~
12 ~~tion, which is the sum of the adjusted unit type population for~~
13 ~~all cities, villages, and townships.~~

14 ~~(d) Determine the unit type population payment rate by~~
15 ~~dividing 74.94% of 21.3% of the sales tax collections at a rate~~
16 ~~of 4% in the 12-month period ending June 30 of the state fiscal~~
17 ~~year in which the payments under this subsection are made by 3,~~
18 ~~and then dividing that result by the total statewide adjusted~~
19 ~~unit type population as determined under subdivision (c).~~

20 ~~(e) Determine the unit type population payment for each~~
21 ~~city, village, and township by multiplying the result under sub-~~
22 ~~division (d) by the adjusted unit type population for that city,~~
23 ~~village, or township.~~

24 ~~(10) Subject to section 13d, for the 1998-1999 through~~
25 ~~2005-2006 state fiscal years and for the period of October 1,~~
26 ~~2006 through June 30, 2007, subject to the limitations under this~~
27 ~~section, a yield equalization payment shall be made to each city,~~

~~1 village, and township with a population of less than 750,000
2 sufficient to provide the guaranteed tax base for a local tax
3 effort not to exceed 0.02. The payment shall be determined as
4 follows:~~

~~5 (a) The guaranteed tax base is the maximum combined state
6 and local per capita taxable value that can be guaranteed in a
7 state fiscal year to each city, village, and township for a local
8 tax effort not to exceed 0.02 if an amount equal to 74.94% of
9 21.3% of the state sales tax at a rate of 4% is distributed to
10 cities, villages, and townships whose per capita taxable value is
11 below the guaranteed tax base.~~

~~12 (b) The full yield equalization payment to each city, vil-
13 lage, and township is the product of the amounts determined under
14 subparagraphs (i) and (ii):~~

~~15 (i) An amount greater than zero that is equal to the differ-
16 ence between the guaranteed tax base determined in
17 subdivision (a) and the per capita taxable value of the city,
18 village, or township.~~

~~19 (ii) The local tax effort of the city, village, or township,
20 not to exceed 0.02, multiplied by the population of that city,
21 village, or township.~~

~~22 (c) The yield equalization payment is the full yield equali-
23 zation payment divided by 3.~~

~~24 (11) For state fiscal years after the 1997-1998 state fiscal
25 year, distributions under this section for cities, villages, and
26 townships with populations of less than 750,000 shall be
27 determined as follows:~~

1 ~~(a) For the 1998-1999 state fiscal year, the payment under~~
2 ~~this section for each city, village, and township shall be the~~
3 ~~sum of the following:~~

4 ~~(i) Ninety percent of the total amount available for distri-~~
5 ~~bution under subsections (8), (9), and (10) for the 1998-1999~~
6 ~~state fiscal year multiplied by the city's, village's, or~~
7 ~~township's percentage share of the distributions under this sec-~~
8 ~~tion and section 12a minus the amount of a distribution under~~
9 ~~this section and section 12a to a city that is eligible to~~
10 ~~receive a distribution under subsection (6) in the 1997-1998~~
11 ~~state fiscal year.~~

12 ~~(ii) Ten percent of the total amount available for distribu-~~
13 ~~tion under subsections (8), (9), and (10) for the 1998-1999 state~~
14 ~~fiscal year multiplied by the percentage share of the distribu-~~
15 ~~tion amounts calculated under subsections (8), (9), and (10).~~

16 ~~(b) For the 1999-2000 state fiscal year, the payment under~~
17 ~~this section for each city, village, and township shall be the~~
18 ~~sum of the following:~~

19 ~~(i) Eighty percent of the total amount available for distri-~~
20 ~~bution under subsections (8), (9), and (10) for the 1999-2000~~
21 ~~state fiscal year multiplied by the city's, village's, or~~
22 ~~township's percentage share of the distributions under this sec-~~
23 ~~tion and section 12a minus the amount of a distribution under~~
24 ~~this section and section 12a to a city that is eligible to~~
25 ~~receive a distribution under subsection (6) in the 1997-1998~~
26 ~~state fiscal year.~~

1 ~~(ii) Twenty percent of the total amount available for~~
2 ~~distribution under subsections (8), (9), and (10) for the~~
3 ~~1999-2000 state fiscal year multiplied by the city's, village's,~~
4 ~~or township's percentage share of the distribution amounts calcu-~~
5 ~~lated under subsections (8), (9), and (10).~~

6 ~~(c) For the 2000-2001 state fiscal year, the payment under~~
7 ~~this section for each city, village, and township shall be the~~
8 ~~sum of the following:~~

9 ~~(i) Seventy percent of the total amount available for dis-~~
10 ~~tribution under subsections (8), (9), and (10) for the 2000-2001~~
11 ~~state fiscal year multiplied by the city's, village's, or~~
12 ~~township's percentage share of the distributions under this sec-~~
13 ~~tion and section 12a minus the amount of a distribution under~~
14 ~~this section and section 12a to a city that is eligible to~~
15 ~~receive a distribution under subsection (6) in the 1997-1998~~
16 ~~state fiscal year.~~

17 ~~(ii) Thirty percent of the total amount available for dis-~~
18 ~~tribution under subsections (8), (9), and (10) for the 2000-2001~~
19 ~~state fiscal year multiplied by the percentage share of the dis-~~
20 ~~tribution amounts calculated under subsections (8), (9), and~~
21 ~~(10).~~

22 ~~(d) For the 2001-2002 state fiscal year, the payment under~~
23 ~~this section for each city, village, and township shall be the~~
24 ~~sum of the following:~~

25 ~~(i) Sixty percent of the total amount available for distri-~~
26 ~~bution under subsections (8), (9), and (10) for the 2001-2002~~
27 ~~state fiscal year multiplied by the city's, village's, or~~

~~1 township's percentage share of the distributions under this
2 section and section 12a minus the amount of a distribution under
3 this section and section 12a to a city that is eligible to
4 receive a distribution under subsection (6) in the 1997-1998
5 state fiscal year.~~

~~6 (ii) Forty percent of the total amount available for distri-
7 bution under subsections (8), (9), and (10) for the 2001-2002
8 state fiscal year multiplied by the percentage share of the dis-
9 tribution amounts calculated under subsections (8), (9), and
10 (10).~~

~~11 (e) For the 2002-2003 state fiscal year, the payment under
12 this section for each city, village, and township shall be the
13 sum of the following:~~

~~14 (i) Fifty percent of the total amount available for distri-
15 bution under subsections (8), (9), and (10) for the 2002-2003
16 state fiscal year multiplied by the city's, village's, or
17 township's percentage share of the distributions under this sec-
18 tion and section 12a minus the amount of a distribution under
19 this section and section 12a to a city that is eligible to
20 receive a distribution under subsection (6) in the 1997-1998
21 state fiscal year.~~

~~22 (ii) Fifty percent of the total amount available for distri-
23 bution under subsections (8), (9), and (10) for the 2002-2003
24 state fiscal year multiplied by the percentage share of the dis-
25 tribution amounts calculated under subsections (8), (9), and
26 (10).~~

1 ~~(f) For the 2003-2004 state fiscal year, the payment under~~
2 ~~this section for each city, village, and township shall be the~~
3 ~~sum of the following:~~

4 ~~(i) Forty percent of the total amount available for distri-~~
5 ~~bution under subsections (8), (9), and (10) for the 2003-2004~~
6 ~~state fiscal year multiplied by the city's, village's, or~~
7 ~~township's percentage share of the distributions under this sec-~~
8 ~~tion and section 12a minus the amount of a distribution under~~
9 ~~this section and section 12a to a city that is eligible to~~
10 ~~receive a distribution under subsection (6) in the 1997-1998~~
11 ~~state fiscal year.~~

12 ~~(ii) Sixty percent of the total amount available for distri-~~
13 ~~bution under subsections (8), (9), and (10) for the 2003-2004~~
14 ~~state fiscal year multiplied by the percentage share of the dis-~~
15 ~~tribution amounts calculated under subsections (8), (9), and~~
16 ~~(10).~~

17 ~~(g) For the 2004-2005 state fiscal year, the payment under~~
18 ~~this section for each city, village, and township shall be the~~
19 ~~sum of the following:~~

20 ~~(i) Thirty percent of the total amount available for distri-~~
21 ~~bution under subsections (8), (9), and (10) for the 2004-2005~~
22 ~~state fiscal year multiplied by the city's, village's, or~~
23 ~~township's percentage share of the distributions under this sec-~~
24 ~~tion and section 12a minus the amount of a distribution under~~
25 ~~this section and section 12a to a city that is eligible to~~
26 ~~receive a distribution under subsection (6) in the 1997-1998~~
27 ~~state fiscal year.~~

1 ~~(ii) Seventy percent of the total amount available for~~
2 ~~distribution under subsections (8), (9), and (10) for the~~
3 ~~2004-2005 state fiscal year multiplied by the percentage share of~~
4 ~~the distribution amounts calculated under subsections (8), (9),~~
5 ~~and (10).~~

6 ~~(h) For the 2005-2006 state fiscal year, the payment under~~
7 ~~this section for each city, village, and township shall be the~~
8 ~~sum of the following:~~

9 ~~(i) Twenty percent of the total amount available for distri-~~
10 ~~bution under subsections (8), (9), and (10) for the 2005-2006~~
11 ~~state fiscal year multiplied by the city's, village's, or~~
12 ~~township's percentage share of the distributions under this sec-~~
13 ~~tion and section 12a minus the amount of a distribution under~~
14 ~~this section and section 12a to a city that is eligible to~~
15 ~~receive a distribution under subsection (6) in the 1997-1998~~
16 ~~state fiscal year.~~

17 ~~(ii) Eighty percent of the total amount available for dis-~~
18 ~~tribution under subsections (8), (9), and (10) for the 2005-2006~~
19 ~~state fiscal year multiplied by the percentage share of the dis-~~
20 ~~tribution amounts calculated under subsections (8), (9), and~~
21 ~~(10).~~

22 ~~(i) For the period of October 1, 2006 through June 30, 2007,~~
23 ~~the payment under this section for each city, village, and town-~~
24 ~~ship shall be the sum of the following:~~

25 ~~(i) Ten percent of the total amount available for distribu-~~
26 ~~tion under subsections (8), (9), and (10) for the 2006-2007 state~~
27 ~~fiscal year multiplied by the city's, village's, or township's~~

~~1 percentage share of the distributions under this section and
2 section 12a minus the amount of a distribution under this section
3 and section 12a to a city that is eligible to receive a distribu-
4 tion under subsection (6) in the 1997-1998 state fiscal year.~~

~~5 (ii) Ninety percent of the total amount available for dis-
6 tribution under subsections (8), (9), and (10) for the 2006-2007
7 state fiscal year multiplied by the percentage share of the dis-
8 tribution amounts calculated under subsections (8), (9), and
9 (10).~~

~~10 (12) Except as otherwise provided in this subsection, the
11 total payment to any city, village, or township under this act
12 and section 10 of article IX of the state constitution of 1963
13 shall not increase by more than 8% over the amount of the payment
14 under this act and section 10 of article IX of the state consti-
15 tution of 1963 in the immediately preceding state fiscal year.
16 From the amount not distributed because of the limitation imposed
17 by this subsection, the department shall distribute an amount to
18 certain cities, villages, and townships such that the percentage
19 increase in the total payment under this act and section 10 of
20 article IX of the state constitution of 1963 from the immediately
21 preceding state fiscal year to each of those cities, villages,
22 and townships is equal to, but does not exceed, the percentage
23 increase from the immediately preceding state fiscal year of any
24 city, village, or township that does not receive a distribution
25 under this subsection. This subsection does not apply for state
26 fiscal years after the 2000 federal decennial census becomes
27 official to a city, village, or township with a 10% or more~~

~~1 increase in population from the official 1990 federal decennial
2 census to the official 2000 federal decennial census.~~

~~3 (13) The percentage allocations to distributions under sub-
4 sections (8) to (10) pursuant to subsection (11) shall be calcu-
5 lated as if, in any state fiscal year, the amount appropriated
6 under this section for distribution to cities, villages, and
7 townships is 74.94% of 21.3% of the sales tax at a rate of 4%.
8 If the amount appropriated under this section to cities, vil-
9 lages, and townships is less than 74.94% of 21.3% of the sales
10 tax at a rate of 4%, any reduction made necessary by this appro-
11 priation in distributions to cities, villages, and townships
12 shall first be applied to the distribution under subsections (8)
13 to (10) and any remaining amount shall be applied to the other
14 distributions under this section.~~

~~15 (14) A township that provides for or makes available fire,
16 police on a 24-hour basis either through contracting for or
17 directly employing personnel, water to 50% or more of its resi-
18 dents, and sewer services to 50% or more of its residents and has
19 a population of 10,000 or more or a township that has a popula-
20 tion of 20,000 or more shall use the unit type population weight
21 factor under subsection (9)(a) for a city with the same popula-
22 tion as the township.~~

~~23 (15) For a state fiscal year in which the sales tax collec-
24 tions decrease from the sales tax collections for the immediately
25 preceding state fiscal year, the department shall reduce the
26 amount to be distributed to a city with a population of 750,000
27 or more under subsection (6) by an amount determined by~~

1 ~~subtracting the amount the city is eligible for under section 10~~
2 ~~of article IX of the state constitution of 1963 for the state~~
3 ~~fiscal year from \$333,900,000.00 and multiplying that result by~~
4 ~~the same percentage as the percentage decrease in sales tax col-~~
5 ~~lections for that state fiscal year as compared to sales tax col-~~
6 ~~lections for the immediately preceding state fiscal year.~~

7 ~~(16) Notwithstanding any other provision of this section for~~
8 ~~the 1998-1999 state fiscal year, the total combined amount~~
9 ~~received by each city, village, and township under this section~~
10 ~~and section 10 of article IX of the state constitution of 1963~~
11 ~~shall not be less than the combined amount received under this~~
12 ~~section, section 12a, and section 10 of article IX of the state~~
13 ~~constitution of 1963 in the 1997-1998 state fiscal year. The~~
14 ~~increase, if any, for each city, village, and township from the~~
15 ~~1997-1998 state fiscal year, other than a city that receives a~~
16 ~~distribution under subsection (6), shall be reduced by a uniform~~
17 ~~percentage to the extent necessary to fund distributions under~~
18 ~~this subsection.~~

19 ~~(6) —(17)—~~ The payments under subsections (3), (4), and (5)
20 shall be made during each October, December, February, April,
21 June, and August. Payments under subsections (3), (4), and (5)
22 shall be based on collections from the sales tax at the rate of
23 4% in the 2-month period ending the prior August 31, October 31,
24 December 31, February 28, April 30, and June 30, and for the
25 1996-1997 and 1997-1998 state fiscal years only, the payments
26 shall be reduced by 1/6 of the total distribution for the state
27 fiscal year under section 12a.

1 (7) ~~-(18)-~~ Payments under this section shall be made from
2 revenues collected during the state fiscal year in which the pay-
3 ments are made.

4 (8) ~~-(19)-~~ Distributions provided for by this act are
5 subject to an annual appropriation by the legislature.