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

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1419 (as reported without amendment)
Sponsor: Senator Joanne G. Emmons
Committee: Finance

CONTENT

The bill would amend the Equitable Sales and Use Tax Administration Act to provide that the Act would be repealed on January 1, 2004, instead of December 31, 2002.

The Act allows the Department of Treasury, with the approval of a board of governance that includes the Governor and legislative leaders, to enter into a streamlined sales and use tax agreement with other states, with the aim of developing a voluntary multistate sales and use tax collection system.

MCL 205.167

Legislative Analyst: George Towne

FISCAL IMPACT

This bill would have no direct fiscal impact on State or local government; however, it would allow this State to continue to be part of a multistate effort to help simplify and streamline the sales and use taxes among the states, help simplify the collection process, and help make it possible for states to collect sales and use taxes on internet and mail order retail transactions. Currently, Michigan is not collecting anywhere from \$100 million to \$300 million in sales and use taxes from taxable internet and mail order transactions. The bill would allow Michigan to continue to participate in this multistate effort to develop a workable solution to this collection problem through December 2003.

Date Completed: 11-13-02

Fiscal Analyst: Jay Wortley