

# HOUSE BILL No. 4061

January 22, 2007, Introduced by Rep. Nofs and referred to the Committee on Energy and Technology.

A bill to amend 1929 PA 48, entitled

"An act levying a specific tax to be known as the severance tax upon all producers engaged in the business of severing oil and gas from the soil; prescribing the method of collecting the tax; requiring all producers of such products or purchasers thereof to make reports; to provide penalties; to provide exemptions and refunds; to prescribe the disposition of the funds so collected; and to exempt those paying such specific tax from certain other taxes,"

by amending section 14 (MCL 205.314), as amended by 1994 PA 307.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 14. ~~(1)~~All taxes shall accompany the report provided for  
2       in section 2. ~~Except as provided in subsection (2), all~~ALL taxes,  
3       penalties, or costs paid to the state treasurer under this act  
4       shall be paid into the state treasury and shall be credited as  
5       follows:

6       (a) Two percent of the revenue received during each fiscal  
7       year, but not less than \$1,000,000.00 shall be credited to the

1 orphan well fund created in ~~the orphan well fund act~~ **SECTION 61602**  
2 **OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA**  
3 **451, MCL 324.61602.** However, whenever the unexpended balance of the  
4 orphan well fund exceeds \$3,000,000.00, further revenues shall not  
5 be credited to the orphan well fund under this subdivision until  
6 the unexpended balance of the orphan well fund becomes less than  
7 \$3,000,000.00.

8 (B) THE NEXT \$60,000,000.00, LESS THE AMOUNT DESCRIBED IN  
9 SUBDIVISION (A), EACH FISCAL YEAR SHALL BE CREDITED TO THE GENERAL  
10 FUND AND SHALL BE AVAILABLE FOR ANY PURPOSE FOR WHICH THE GENERAL  
11 FUND IS MADE AVAILABLE BY LAW.

12 (C) THE NEXT \$6,000,000.00 EACH FISCAL YEAR SHALL BE CREDITED  
13 TO THE HOME HEATING CREDIT FUND CREATED IN THE HOME HEATING CREDIT  
14 FUND ACT.

15 (D) ~~(b)~~ The remaining revenue received during each fiscal year  
16 that is not allocated pursuant to ~~subdivision (a)~~ **SUBDIVISIONS (A)**  
17 **THROUGH (C)** shall be credited to the general fund of ~~the~~ **THIS** state  
18 and shall be available for any purpose for which the general fund  
19 is made available by law.

20 ~~—— (2) The revenue collected under subsection (1) in excess of~~  
21 ~~\$16,000,000.00, shall be deposited in the general fund and shall be~~  
22 ~~allocated for the payment of credits for heating fuel costs~~  
23 ~~provided under section 527a of Act No. 281 of the Public Acts of~~  
24 ~~1967, being section 206.527a of the Michigan Compiled Laws, for the~~  
25 ~~fiscal year ending September 30, 1980 only.~~