

# HOUSE BILL No. 5074

June 10, 2009, Introduced by Reps. DeShazor, Agema, Opsommer, Kowall and McMillin  
and referred to the Committee on Transportation.

A bill to amend 1933 PA 167, entitled  
"General sales tax act,"  
by amending section 25 (MCL 205.75), as amended by 2008 PA 361.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 25. (1) All money received and collected under this act  
2 shall be deposited by the department in the state treasury to the  
3 credit of the general fund, except as otherwise provided in this  
4 section.

5           (2) ~~Fifteen~~**SEVENTEEN** percent of the collections of the tax  
6 imposed at a rate of 4% shall be distributed to cities, villages,  
7 and townships pursuant to the Glenn Steil state revenue sharing act  
8 of 1971, 1971 PA 140, MCL 141.901 to 141.921.

9           (3) **SIX PERCENT OF THE COLLECTIONS OF THE TAX IMPOSED AT A**

1 RATE OF 4% SHALL BE DEPOSITED INTO THE PRIORITY NOW! FUND CREATED  
2 IN SECTION 10F OF 1951 PA 51, MCL 247.660F.

3 (4) ~~(3)~~—Sixty percent of the collections of the tax imposed at  
4 a rate of 4% shall be deposited in the state school aid fund  
5 established in section 11 of article IX of the state constitution  
6 of 1963 and distributed as provided by law. In addition, all of the  
7 collections of the tax imposed at the additional rate of 2%  
8 approved by the electors March 15, 1994 shall be deposited in the  
9 state school aid fund.

10 (5) ~~(4)~~—For the fiscal year ending September 30, 1988 and each  
11 fiscal year ending after September 30, 1988, of the 25% of the  
12 collections of the general sales tax imposed at a rate of 4%  
13 directly or indirectly on fuels sold to propel motor vehicles upon  
14 highways, on the sale of motor vehicles, and on the sale of the  
15 parts and accessories of motor vehicles by new and used car  
16 businesses, used car businesses, accessory dealer businesses, and  
17 gasoline station businesses as classified by the department of  
18 treasury remaining after the allocations and distributions are made  
19 pursuant to subsections (2), ~~and (3)~~, **AND (4)**, the following  
20 amounts shall be deposited each year into the respective funds:

21 (a) For the fiscal year ending September 30, 2003 and for the  
22 fiscal year ending September 30, 2006 and each fiscal year ending  
23 after September 30, 2006, not less than 27.9% to the comprehensive  
24 transportation fund. For the fiscal year ending September 30, 2004  
25 through the fiscal year ending September 30, 2005, not less than  
26 24% to the comprehensive transportation fund. For the fiscal year  
27 ending September 30, 2006 only, the amount deposited to the

1 comprehensive transportation fund under this subdivision shall be  
2 reduced by \$11,100,000.00. For the fiscal year ending September 30,  
3 2007 only, the amount deposited to the comprehensive transportation  
4 fund under this subdivision shall be reduced by \$10,270,000.00. For  
5 the fiscal year ending September 30, 2008 only, the amount  
6 deposited to the comprehensive transportation fund under this  
7 subdivision shall be reduced by \$5,000,000.00 and shall be  
8 deposited in the state treasury to the credit of the general fund.

9 (b) The balance to the state general fund.

10 (6) ~~(5)~~—After the allocations and distributions are made  
11 pursuant to subsections (2), ~~and~~(3), **AND (4)**, an amount equal to  
12 the collections of the tax imposed at a rate of 4% under this act  
13 from the sale at retail of computer software as defined in section  
14 1a shall be deposited in the Michigan health initiative fund  
15 created in section 5911 of the public health code, 1978 PA 368, MCL  
16 333.5911, and shall be considered in addition to, and is not  
17 intended as a replacement for any other money appropriated to the  
18 department of community health. The funds deposited in the Michigan  
19 health initiative fund on an annual basis shall not be less than  
20 \$9,000,000.00 or more than \$12,000,000.00.

21 (7) ~~(6)~~—The balance in the state general fund shall be  
22 disbursed only on an appropriation or appropriations by the  
23 legislature.

24 Enacting section 1. This amendatory act does not take effect  
25 unless Senate Joint Resolution \_\_\_\_ or House Joint Resolution V  
26 (request no. 00283'09 \*) of the 95th Legislature becomes a part of  
27 the state constitution of 1963 as provided in section 1 of article

1 XII of the state constitution of 1963.