

Act No. 262
Public Acts of 2015
Approved by the Governor
December 23, 2015
Filed with the Secretary of State
December 23, 2015
EFFECTIVE DATE: March 22, 2016

**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2015**

Introduced by Senator Hansen

ENROLLED SENATE BILL No. 613

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending section 25 (MCL 205.75), as amended by 2012 PA 226, and by adding section 6c.

The People of the State of Michigan enact:

Sec. 6c. (1) Beginning April 1, 2016 and each calendar quarter thereafter, each taxpayer making sales at retail of aviation fuel shall, on or before the last day of the month in the month that immediately follows the end of a calendar quarter, file an informational report with the department on a form prescribed by the department showing all of the following for the immediately preceding calendar quarter:

- (a) The entire amount of the taxpayer's taxable sales at retail of aviation fuel.
- (b) The gross proceeds of the taxpayer's business from taxable sales at retail of aviation fuel.
- (c) The amount of tax for which the taxpayer is liable from sales at retail of aviation fuel.
- (d) The number of taxable gallons of aviation fuel sold by the taxpayer at each airport and the gross proceeds from the sales of those gallons of aviation fuel.

(e) Any other information the department considers necessary for the proper administration of this act.

(2) The report required under this section shall not include any remittance for tax, and does not constitute a return or otherwise alleviate the taxpayer's obligations under section 6.

(3) A taxpayer required to file the informational report under this section that fails or refuses to file the informational report within the time and in the manner specified in this section shall be liable for a penalty of \$10.00 per day for each day for each separate failure or refusal up to, but not exceeding, a maximum penalty of \$500.00 for each separate violation. The department may waive the penalty if the taxpayer demonstrates to the satisfaction of the department that the failure to file was due to reasonable cause.

(4) As used in this section, "aviation fuel" means fuel as that term is defined in section 4 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.4.

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

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

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

(4) Not less than 27.9% of 25% of the collections of the general sales tax imposed at a rate of 4% directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the department shall be deposited each year into the comprehensive transportation fund created in section 10b of 1951 PA 51, MCL 247.660b.

(5) Beginning October 1, 2016 and the first day of each calendar quarter thereafter, an amount equal to the collections for the calendar quarter that is 2 calendar quarters immediately preceding the current calendar quarter of the tax imposed under this act at the additional rate of 2% approved by the electors on March 15, 1994 from the sale at retail of aviation fuel shall be distributed as follows:

(a) An amount equal to 35% of the collections of the tax imposed at a rate of 2% on the sale at retail of aviation fuel shall be deposited in the state aeronautics fund and shall be expended, on appropriation, only for those purposes authorized in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208.

(b) An amount equal to 65% of the collections of the tax imposed at a rate of 2% on the sale at retail of aviation fuel shall be deposited in the qualified airport fund and shall be expended, on appropriation, only for those purposes authorized under section 35 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.35.

(6) The department shall, on an annual basis, reconcile the amounts distributed under subsection (5) during each fiscal year with the amounts actually collected for a particular fiscal year and shall make any necessary adjustments, positive or negative, to the amounts to be distributed for the next successive calendar quarter that begins January 1. The state treasurer or his or her designee shall annually provide to the operator of each qualified airport a report of the reconciliation performed under this subsection. The reconciliation report is subject to the confidentiality restrictions and penalties provided in section 28(1)(f) of 1941 PA 122, MCL 205.28.

(7) An amount equal to the collections of the tax imposed at a rate of 4% under this act from the sale at retail of computer software as defined in section 1a shall be deposited in the Michigan health initiative fund created in section 5911 of the public health code, 1978 PA 368, MCL 333.5911, and shall be considered in addition to, and is not intended as a replacement for any other money appropriated to the department of community health or its successor. The funds deposited in the Michigan health initiative fund on an annual basis shall not be less than \$9,000,000.00 or more than \$12,000,000.00.

(8) The balance in the state general fund shall be disbursed only on an appropriation or appropriations by the legislature.

(9) As used in this section:

(a) "Aviation fuel" means fuel as that term is defined in section 4 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.4.

(b) "Qualified airport" means that term as defined in section 109 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.109.

(c) "Qualified airport fund" means the qualified airport fund created in section 34(2) of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.34.

(d) "State aeronautics fund" means the state aeronautics fund created in section 34(1) of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.34.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 98th Legislature are enacted into law:

(a) Senate Bill No. 418.

(b) Senate Bill No. 425.

(c) Senate Bill No. 426.

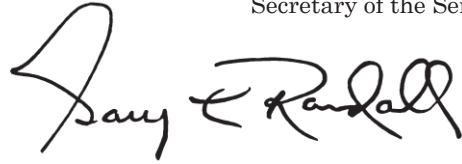
(d) Senate Bill No. 612.

(e) Senate Bill No. 614.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:

Senate Bill No. 418 was filed with the Secretary of State December 23, 2015, and became 2015 PA 260, Eff. Mar. 22, 2016.

Senate Bill No. 425 was filed with the Secretary of State December 23, 2015, and became 2015 PA 258, Eff. Mar. 22, 2016.

Senate Bill No. 426 was filed with the Secretary of State December 23, 2015, and became 2015 PA 259, Eff. Mar. 22, 2016.

Senate Bill No. 612 was filed with the Secretary of State December 23, 2015, and became 2015 PA 261, Eff. Mar. 22, 2016.

Senate Bill No. 614 was filed with the Secretary of State December 23, 2015, and became 2015 PA 263, Eff. Mar. 22, 2016.