

# HOUSE BILL NO. 4952

September 16, 2025, Introduced by Rep. Roth and referred to Committee on Appropriations.

A bill to amend 1937 PA 94, entitled  
"Use tax act,"  
by amending section 21 (MCL 205.111), as amended by 2023 PA 175.

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

1       Sec. 21. (1) Except as otherwise provided in this section, all  
2 money received and collected under this act must be deposited by  
3 the department of treasury in the state treasury to the credit of  
4 the general fund, to be disbursed only by appropriations by the  
5 legislature.

6       (2) The collections from the use tax imposed at the additional

1 rate of 2% approved by the electors on March 15, 1994 must be  
2 deposited in the state school aid fund.

3 (3) In addition to the money deposited in the state school aid  
4 fund under subsection (2), from the money received and collected  
5 under this act for the state share, an amount equal to the sum of  
6 the following, as determined by the department, must be deposited  
7 in the state school aid fund:

8 (a) All revenue lost under the state education tax act, 1993  
9 PA 331, MCL 211.901 to 211.906, as a result of the exemption of  
10 personal property under sections 9m, 9n, and 9o of the general  
11 property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o.

12 (b) All revenue lost from basic school operating mills as a  
13 result of the exemption of personal property under sections 9m, 9n,  
14 and 9o of the general property tax act, 1893 PA 206, MCL 211.9m,  
15 211.9n, and 211.9o.

16 (c) All revenue lost to the state school aid fund as a result  
17 of the exemption under section 4(1)(gg).

18 (d) All revenue lost to the state school aid fund as a result  
19 of the exemption under section 4cc. A person that claims an  
20 exemption under section 4cc shall report the purchase price of the  
21 data center equipment as defined in section 4cc and any other  
22 information necessary to determine the amount of revenue lost to  
23 the state school aid fund as a result of the exemption under  
24 section 4cc annually on a form at the time and in a manner  
25 prescribed by the department. The report required under this  
26 subdivision must not include any remittance for tax and does not  
27 constitute a return or otherwise alleviate the person's obligations  
28 under section 6.

29 (e) All revenue lost to the state school aid fund as a result

1 of the exclusion under section 2(1)(f)(xv).

2 (4) Money received and collected under this act for the local  
3 community stabilization share is not state funds, must not be  
4 credited to the state treasury, and must be transmitted to the  
5 authority for deposit in the treasury of the authority, to be  
6 disbursed by the authority only as authorized under the local  
7 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
8 123.1362. The local community stabilization share is a local tax,  
9 not a state tax, and money received and collected for the local  
10 community stabilization share is money of the authority and not  
11 money of this state.

12 (5) Beginning October 1, 2016 and the first day of each  
13 calendar quarter thereafter, from the money received and collected  
14 under this act for the state share, an amount equal to the  
15 collections for the calendar quarter that is 2 calendar quarters  
16 immediately preceding the current calendar quarter of the tax  
17 imposed under this act at the additional rate of 2% approved by the  
18 electors on March 15, 1994 from the use, storage, or consumption of  
19 aviation fuel must be distributed as follows:

20 (a) An amount equal to 35% of the collections of the tax  
21 imposed at a rate of 2% on the use, storage, or consumption of  
22 aviation fuel must be deposited in the state aeronautics fund and  
23 must be expended, on appropriation, only for those purposes  
24 authorized in the aeronautics code of the state of Michigan, 1945  
25 PA 327, MCL 259.1 to 259.208.

26 (b) An amount equal to 65% of the collections of the tax  
27 imposed at a rate of 2% on the use, storage, or consumption of  
28 aviation fuel must be deposited in the qualified airport fund and  
29 must be expended, on appropriation, only for those purposes

1 authorized under section 35 of the aeronautics code of the state of  
2 Michigan, 1945 PA 327, MCL 259.35.

3 (6) The department shall, on an annual basis, reconcile the  
4 amounts distributed under subsection (5) during each fiscal year  
5 with the amounts actually collected for a particular fiscal year  
6 and shall make any necessary adjustments, positive or negative, to  
7 the amounts to be distributed for the next successive calendar  
8 quarter that begins January 1. The state treasurer or the state  
9 treasurer's designee shall annually provide to the operator of each  
10 qualified airport a report of the reconciliation performed under  
11 this subsection. The reconciliation report is subject to the  
12 confidentiality restrictions and penalties provided in section  
13 28(1)(f) of 1941 PA 122, MCL 205.28.

14 (7) ~~Beginning with~~ **For** the fiscal ~~year~~ **years** ending September  
15 30, 2024 and ~~each fiscal year thereafter,~~ **September 30, 2025,** from  
16 the money received and collected under this act for the state  
17 share, \$75,000,000.00 must be deposited **each year** into the local  
18 government reimbursement fund created in section 3a of the Michigan  
19 trust fund act, 2000 PA 489, MCL 12.253a. **Beginning with the fiscal**  
20 **year ending September 30, 2026 and each fiscal year thereafter,**  
21 **from the money received and collected under this act for the state**  
22 **share, \$25,000,000.00 must be deposited into the local government**  
23 **reimbursement fund created in section 3a of the Michigan trust fund**  
24 **act, 2000 PA 489, MCL 12.253a.**

25 (8) As used in this section:

26 (a) "Aviation fuel" means fuel as that term is defined in  
27 section 4 of the aeronautics code of the state of Michigan, 1945 PA  
28 327, MCL 259.4.

29 (b) "Qualified airport" means that term as defined in section

1 109 of the aeronautics code of the state of Michigan, 1945 PA 327,  
2 MCL 259.109.

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

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

9 (e) "State school aid fund" means the state school aid fund  
10 established in section 11 of article IX of the state constitution  
11 of 1963.