

**THE MANAGEMENT AND BUDGET ACT (EXCERPT)**  
**Act 431 of 1984**

**18.1350a Additional definitions.**

Sec. 350a.

As used in sections 26 to 28 of article IX of the state constitution of 1963:

(a) "Personal income of Michigan" for a calendar year means total annual personal income as officially reported by the United States department of commerce, bureau of economic analysis, or its successor, in August of the year following the calendar year for which the report is made. Revision of the total annual personal income figure as reported by the bureau of economic analysis after August of the year following the calendar year for which the report is made shall not cause personal income of Michigan as defined to be revised.

(b) "Total state revenues" means the combined increases in net current assets of the general fund and special revenue funds, except for component units included within the special revenue group for reporting purposes only. For fiscal years beginning after September 30, 1986, total state revenues shall be computed on the basis of generally accepted accounting principles as defined in this act. However, total state revenues shall not include the following:

(i) Financing sources which have previously been counted as revenue, for the purposes of section 26 of article IX of the state constitution of 1963 such as, beginning fund balance, expenditure refunds, and residual-equity and operating transfers from within the group of funds.

(ii) Current assets generated from transactions involving fixed assets and long-term obligations in which total net assets do not increase.

(iii) Revenues which are not available for normal public functions of the general fund and special revenue funds.

(iv) Federal aid.

(v) Taxes imposed for the payment of principal and interest on voter-approved bonds and loans to school districts authorized under section 16 of article IX of the state constitution of 1963.

(vi) Tax credits based on actual tax liabilities or the imputed tax components of rental payments, but not including the amount of any credits not related to actual tax liabilities.

(vii) Refunds or payments of revenues recognized in a prior period.

(viii) The effects of restatements of beginning balances required by changes in generally accepted accounting principles.

(c) The calculation of total state revenues required by section 350b(3) shall not be adjusted after the filing of the report required by June 30, 1989, unless future changes in generally accepted accounting principles would substantially distort the comparability of the base year and the current and future years. In no event shall intervening years be recalculated.

**History:** Add. 1988, Act 504, Imd. Eff. Dec. 29, 1988 ;-- Am. 1999, Act 8, Imd. Eff. Mar. 22, 1999

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