

**SUBSTITUTE FOR  
HOUSE BILL NO. 4184**

A bill to amend 1945 PA 327, entitled  
"Aeronautics code of the state of Michigan,"  
by amending sections 34 and 203 (MCL 259.34 and 259.203), section  
34 as amended by 2015 PA 259 and section 203 as amended by 2015 PA  
260.

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

1       Sec. 34. (1) The state aeronautics fund is created. All money  
2       received from aviation fuel taxes imposed under section 203(1)  
3       **except the portion to be deposited into the qualified airport fund**  
4       **under section 203(2)**, the portion of sales and use taxes to be  
5       deposited into the state aeronautics fund under section 25 of the  
6       general sales tax act, 1933 PA 167, MCL 205.75, and section 21 of  
7       the use tax act, 1937 PA 94, MCL 205.111, any money required to be



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1 deposited into the state aeronautics fund under section 35(3), and  
2 all money received from licensing of schools of aviation, airports,  
3 landing fields, airport managers, registration of aircraft and  
4 airmen, and from the operation of state operated airports, landing  
5 fields, and other aeronautical facilities, must be paid into the  
6 state treasury and credited to the state aeronautics fund.

7 (2) The qualified airport fund is created. All money to be  
8 deposited into the qualified airport fund **under section 203(2)**,  
9 under section 25 of the general sales tax act, 1933 PA 167, MCL  
10 205.75, and section 21 of the use tax act, 1937 PA 94, MCL 205.111,  
11 must be paid into the state treasury and credited to the qualified  
12 airport fund.

13 Sec. 203. (1) A privilege tax at the rate of ~~3~~**10** cents per  
14 gallon is imposed on all fuel sold or used in producing or  
15 generating power for propelling aircraft using the aeronautical  
16 facilities on the lands and waters of this state. The tax must be  
17 collected and remitted in the same manner and method and at the  
18 same time as prescribed by law for the collection of the gasoline  
19 tax imposed on all gasoline used in producing or generating power  
20 for propelling motor vehicles used on the public highways of this  
21 state under the motor fuel tax act, 2000 PA 403, MCL 207.1001 to  
22 207.1170. For the tax imposed under this subsection, a refund of 1-  
23 1/2 cents per gallon must be made to airline operators who show  
24 proof within 6 months after purchase that they are operating  
25 interstate on scheduled operations.

26 (2) **From the tax collected under subsection (1), 7 cents per**  
27 **gallon must be deposited into the state treasury and be credited as**  
28 **follows:**

29 (a) **35% to the state aeronautics fund.**



**(b) 65% to the qualified airport fund.**

**(3)** ~~(2)~~—If a person required to register with the department of treasury under section 94 of the motor fuel tax act, 2000 PA 403, MCL 207.1094, is not registered, the person shall not purchase fuel under this act at the rate imposed by subsection (1), but shall pay the applicable rate imposed on motor fuel by section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008.

**(4)** ~~(3)~~—The tax imposed under subsection (1) is not imposed on aviation fuel if the purchaser has certified in writing to the seller that the aviation fuel is being purchased solely for the purpose of formulating leaded racing fuel as that term is defined in section 4 of the motor fuel tax act, 2000 PA 403, MCL 207.1004. Aviation fuel qualifying under this subsection must be identified on shipping papers and invoices as "aviation fuel exempt for LRF".

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 103rd Legislature are enacted into law:

- (a) House Bill No. 4180.
- (b) House Bill No. 4181.
- (c) House Bill No. 4182.
- (d) House Bill No. 4183.
- (e) House Bill No. 4185.
- (f) House Bill No. 4186.
- (g) House Bill No. 4187.
- (h) House Bill No. 4230.