



# SENATE BILL No. 1014

May 9, 1996, Introduced by Senators STEIL, STILLE, GAST, GEAKE, BOUCHARD, CISKY, DUNASKISS, NORTH, ROGERS, CARL, GOUGEON, MC MANUS, VAN REGENMORTER, DE GROW, SHUGARS and BENNETT and referred to the Committee on Appropriations.

A bill to amend sections 11, 12, and 13 of Act No. 140 of the Public Acts of 1971, entitled as amended "State revenue sharing act of 1971," section 11 as amended by Act No. 68 of the Public Acts of 1992 and sections 12 and 13 as amended by Act No. 134 of the Public Acts of 1995, being sections 141.911, 141.912, and 141.913 of the Michigan Compiled Laws; to add section 12a; and to repeal acts and parts of acts.

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

1 Section 1. Sections 11, 12, and 13 of Act No. 140 of the  
2 Public Acts of 1971, section 11 as amended by Act No. 68 of the  
3 Public Acts of 1992 and sections 12 and 13 as amended by Act  
4 No. 134 of the Public Acts of 1995, being sections 141.911,  
5 141.912, and 141.913 of the Michigan Compiled Laws, are amended  
6 and section 12a is added to read as follows:

1       Sec. 11. (1) ~~The~~ FOR STATE FISCAL YEARS BEFORE THE  
2 1996-1997 STATE FISCAL YEAR, THE department of management and  
3 budget shall cause to be paid during each August, November,  
4 February, and May, to counties on a per capita basis the collec-  
5 tions from the state income tax as certified by the department of  
6 treasury for the quarter periods ending the prior June 30,  
7 September 30, December 31, and March 31 that are available for  
8 distribution to and retention by counties. ~~The collections from~~  
9 ~~the state income tax otherwise available for distribution under~~  
10 ~~this section in August 1992 shall not be distributed but shall~~  
11 ~~lapse to the general fund.~~

12       (2) For state fiscal years beginning after September 30,  
13 1992, the collections from the state income tax otherwise avail-  
14 able for distribution to counties in November for the quarter  
15 period ending the prior September 30 shall be increased by  
16 \$35,900,000.00 and the collections from the state income tax oth-  
17 erwise available for distribution to counties in August for the  
18 quarter period ending the prior June 30 shall be decreased by  
19 \$35,900,000.00.

20       (3) FOR STATE FISCAL YEARS AFTER THE 1995-1996 STATE FISCAL  
21 YEAR, THE DEPARTMENT OF MANAGEMENT AND BUDGET SHALL CAUSE TO BE  
22 PAID DURING EACH AUGUST, NOVEMBER, FEBRUARY, AND MAY, TO COUNTIES  
23 ON A PER CAPITA BASIS, AN AMOUNT OF THE COLLECTIONS FROM THE  
24 SALES TAX EQUAL TO THE AMOUNT THAT WOULD HAVE BEEN AVAILABLE FOR  
25 DISTRIBUTION UNDER SECTION 481 OF THE INCOME TAX ACT OF 1967, ACT  
26 NO. 281 OF THE PUBLIC ACTS OF 1967, BEING SECTION 206.481 OF THE  
27 MICHIGAN COMPILED LAWS, AS DETERMINED UNDER SECTION 13 FOR THE

1 QUARTER PERIODS ENDING THE IMMEDIATELY PRECEDING JUNE 30,  
2 SEPTEMBER 30, DECEMBER 31, AND MARCH 31.

3       Sec. 12. (1) The department of treasury shall cause to be  
4 paid to each city, village, and township its share, computed on a  
5 per capita basis, during each August, November, February, and  
6 May, of the collections DESIGNATED FOR ASSISTANCE TO TOWNSHIPS,  
7 CITIES, AND VILLAGES UNDER SECTION 10 OF ARTICLE IX OF THE STATE  
8 CONSTITUTION OF 1963 from the sales tax for the quarter periods  
9 ending the prior June 30, September 30, December 31, and March 31  
10 that are available for distribution to cities, villages, and  
11 townships.

12       (2) During each calendar year, the department of treasury  
13 shall cause to be advanced and paid in June to cities, villages,  
14 and townships on a per capita basis \$9,500,000.00 of the amount  
15 that would otherwise be paid in August pursuant to  
16 subsection (1).

17       (3) During October of each calendar year, the department of  
18 treasury shall cause to be paid on a per capita basis  
19 \$9,500,000.00 of the intangibles tax collections to each city,  
20 village, or township levying at least 1 mill local property tax  
21 in the preceding calendar year. For the state fiscal years  
22 beginning ~~October 1, 1994 and~~ October 1, 1995 AND OCTOBER 1,  
23 1996, no payments shall be made under this subsection.

24       SEC. 12A. (1) THE DEPARTMENT OF TREASURY SHALL CALCULATE  
25 THE AMOUNT OF PAYMENT TO BE MADE TO A CITY, VILLAGE, OR TOWNSHIP  
26 BY MULTIPLYING THE AMOUNT OF STATE EQUALIZED VALUE OF TAX EXEMPT  
27 INVENTORY PROPERTY AS CERTIFIED BY THE DEPARTMENT OF TREASURY

1 UNDER FORMER SECTION 132 OF ACT NO. 228 OF THE PUBLIC ACTS OF  
2 1975, TIMES THE PROPERTY TAX RATE FOR EACH TAXING UNIT AS CERTI-  
3 FIED EACH YEAR TO THE DEPARTMENT OF TREASURY FOR PURPOSES OF THIS  
4 ACT. THE AMOUNT DUE UNDER THIS SECTION, INCLUDING ANY ACCRUED  
5 INTEREST, SHALL BE PAID TO THE CITIES AND VILLAGES BETWEEN JULY 1  
6 AND OCTOBER 2 OF EACH YEAR. THE TOWNSHIPS SHALL RECEIVE THEIR  
7 FUNDS BY FEBRUARY 1 OF EACH YEAR.

8 (2) THE DEPARTMENT OF TREASURY SHALL PAY TO EACH COUNTY BY  
9 FEBRUARY 1 OF EACH YEAR, FOLLOWING THE YEAR THE AMOUNT WAS CALCU-  
10 LATED, AN AMOUNT EQUAL TO THE PRODUCT OF THE STATE EQUALIZED  
11 VALUE OF INVENTORY AS CERTIFIED BY THE DEPARTMENT OF TREASURY  
12 UNDER FORMER SECTION 132 OF ACT NO. 228 OF THE PUBLIC ACTS OF  
13 1975, TIMES THE COUNTY PROPERTY TAX RATE FOR THE COUNTY AS  
14 REPORTED TO THE DEPARTMENT OF TREASURY.

15 (3) PAYMENTS MADE UNDER THIS SECTION, AND THE ALLOCATION AND  
16 APPROPRIATION OF AMOUNTS NECESSARY TO MAKE THE PAYMENTS UNDER  
17 THIS SECTION, SHALL INCLUDE INTEREST WHICH SHALL ACCRUE ON THE  
18 UNPAID BALANCE FROM OCTOBER 2 FOR PAYMENTS UNDER THIS SECTION TO  
19 CITIES AND VILLAGES, FROM FEBRUARY 1 FOR PAYMENTS UNDER THIS SEC-  
20 TION TO TOWNSHIPS AND COUNTIES, AND FROM THE DATE EACH YEAR THE  
21 DISTRIBUTIONS UNDER SECTION 136 OF THE SINGLE BUSINESS TAX ACT,  
22 ACT NO. 228 OF THE PUBLIC ACTS OF 1975, BEING SECTION 208.136 OF  
23 THE MICHIGAN COMPILED LAWS, WERE REQUIRED TO HAVE BEEN PAID.  
24 INTEREST SHALL ACCRUE AT THE RATE DETERMINED UNDER SECTION 13B.

25 (4) A PAYMENT REQUIRED TO BE MADE UNDER THIS SECTION SHALL  
26 NOT BE DELAYED SO AS TO CAUSE INTEREST TO ACCRUE PURSUANT TO  
27 SUBSECTION (2) UNLESS THE DELAY IN ANY PAYMENT IS AUTHORIZED BY A

1 WRITTEN DIRECTIVE ISSUED AND SIGNED BY THE GOVERNOR WHICH  
2 CONFORMS TO AND IS SUBJECT TO SECTION 13B(2) AND (3).

3 (5) AMOUNTS REQUIRED TO BE PAID PURSUANT TO THIS SECTION  
4 THAT ARE SUBJECT TO AN UNAVOIDABLE DELAY OF A DE MINIMIS PERIOD  
5 OR THAT ARE WITHHELD OR SET OFF PURSUANT TO LAW IN THE SETTLEMENT  
6 OR ADJUSTMENT OF AN OBLIGATION OR DEBT DUE TO THIS STATE ARE NOT  
7 SUBJECT TO SUBSECTIONS (3) AND (4).

8 (6) THE TREASURER OF ANY CITY, VILLAGE, TOWNSHIP, OR COUNTY  
9 WHO COLLECTS MONEY FOR AN AUTHORITY THAT LEVIES PROPERTY TAXES,  
10 SHALL PAY AN ELIGIBLE AUTHORITY ITS PROPORTIONATE SHARE OF THE  
11 REIMBURSEMENTS UNDER THIS SECTION. THE PROPORTIONATE SHARE IS  
12 THE PERCENTAGE THAT THE PROPERTY TAXES COLLECTED BY THE AUTHORITY  
13 ARE TO THE PROPERTY TAXES OF THE ASSESSING UNIT. THE PROPERTY  
14 TAXES OF THE AUTHORITIES MAY BE ADDED TO THE MILLAGES USED TO  
15 DETERMINE PAYMENTS UNDER THIS SECTION. FOR AN AUTHORITY TO BE  
16 ELIGIBLE FOR COMPENSATION UNDER THIS SECTION, THAT AUTHORITY  
17 SHALL HAVE AN AUTHORIZATION TO HAVE TAXES LEVIED FOR ITS USE AS  
18 PROVIDED BY LAW. SCHOOL DISTRICTS, INTERMEDIATE SCHOOL DIS-  
19 TRICTS, COMMUNITY COLLEGE DISTRICTS, VOCATIONAL EDUCATION, AND  
20 SPECIAL EDUCATION DISTRICTS ARE NOT INCLUDED UNDER THIS SECTION.

21 (7) THE STATE TREASURER MAY MAKE A DISBURSEMENT FOR A PAY-  
22 MENT UNDER THIS SECTION THAT HAS BEEN DELAYED IN ADVANCE OF THE  
23 DATE THE DELAYED PAYMENT IS EXPECTED TO BE PAID.

24 (8) PAYMENTS MADE TO A CITY, VILLAGE, TOWNSHIP, OR COUNTY  
25 UNDER THIS SECTION SHALL NOT EXCEED THE AMOUNT OF THE PAYMENTS  
26 MADE TO THE CITY, VILLAGE, TOWNSHIP, OR COUNTY IN THE 1996-1997  
27 STATE FISCAL YEAR.

1           Sec. 13. (1) THIS SUBSECTION AND SUBSECTION (2) APPLY TO  
2 DISTRIBUTIONS TO CITIES, VILLAGES, AND TOWNSHIPS DURING THE  
3 1995-1996 STATE FISCAL YEAR OF COLLECTIONS FROM THE STATE INCOME  
4 TAX AND SINGLE BUSINESS TAX. Except as otherwise provided in  
5 ~~this section~~ SUBSECTION (2), the department of treasury shall  
6 cause to be paid to each city, village, and township its share,  
7 computed in accordance with the tax effort formula, of the fol-  
8 lowing revenues:

9           (a) During each August, November, February, and May, the  
10 collections from the state income tax for the quarter periods  
11 ending the prior June 30, September 30, December 31, and March 31  
12 that are available for distribution to cities, villages, and  
13 townships under the income tax act of 1967, Act No. 281 of the  
14 Public Acts of 1967, being sections 206.1 to 206.532 of the  
15 Michigan Compiled Laws.

16           (b) The amount of the collections from the single business  
17 tax available for distribution to cities, villages, and townships  
18 under section 136 of the single business tax act, Act No. 228 of  
19 the Public Acts of 1975, being section 208.136 of the Michigan  
20 Compiled Laws.

21           (2) The amount of collections of the state income tax other-  
22 wise available for distribution to cities, villages, and town-  
23 ships in November, February, and May, computed in accordance with  
24 the tax effort formula, shall be increased by \$22,600,000.00.  
25 The amount of collections otherwise available for distribution to  
26 cities; villages, and townships in August, computed in accordance

1 with the tax effort formula, shall be decreased by  
2 \$67,800,000.00.

3 (3) THIS SUBSECTION APPLIES TO DISTRIBUTIONS TO CITIES, VIL-  
4 LAGES, TOWNSHIPS, AND COUNTIES DURING THE 1996-1997 AND 1997-1998  
5 STATE FISCAL YEARS FROM 21.74% OF THE COLLECTIONS, EXCLUSIVE OF  
6 THE AMOUNT DESIGNATED FOR ASSISTANCE TO TOWNSHIPS, CITIES, AND  
7 VILLAGES UNDER SECTION 10 OF ARTICLE IX OF THE STATE CONSTITUTION  
8 OF 1963, OF THE SALES TAX LEVIED AT A RATE OF 4% TO IMPLEMENT  
9 DISTRIBUTIONS MADE TO CITIES, VILLAGES, TOWNSHIPS, AND COUNTIES  
10 PRIOR TO THE 1996-1997 STATE FISCAL YEAR FROM THE STATE INCOME  
11 TAX PURSUANT TO ACT NO. 281 OF THE PUBLIC ACTS OF 1967 AND FROM  
12 THE SINGLE BUSINESS TAX PURSUANT TO ACT NO. 228 OF THE PUBLIC  
13 ACTS OF 1975. THE DEPARTMENT OF TREASURY SHALL CAUSE TO BE PAID  
14 TO EACH CITY, VILLAGE, TOWNSHIP, AND COUNTY ITS SHARE OF THE FOL-  
15 LOWING REVENUES:

16 (A) TO CITIES, VILLAGES, AND TOWNSHIPS, DURING EACH AUGUST,  
17 THE COLLECTIONS FROM THE SALES TAX FOR THE QUARTER PERIOD ENDING  
18 THE IMMEDIATELY PRECEDING JUNE 30 THAT ARE EQUAL TO THE AMOUNT  
19 THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO CITIES, VIL-  
20 LAGES, AND TOWNSHIPS UNDER SECTION 481 OF ACT NO. 281 OF THE  
21 PUBLIC ACTS OF 1967, BEING SECTION 206.481 OF THE MICHIGAN  
22 COMPILED LAWS, OR THE AMOUNT OF THOSE COLLECTIONS DISTRIBUTED TO  
23 CITIES, VILLAGES, AND TOWNSHIPS THAT WOULD HAVE BEEN DISTRIBUTED  
24 DURING AUGUST 1996, WHICHEVER IS LESS; AND DURING EACH NOVEMBER,  
25 FEBRUARY, AND MAY, THE COLLECTIONS FROM THE SALES TAX FOR THE  
26 QUARTER PERIODS ENDING THE IMMEDIATELY PRECEDING SEPTEMBER 30,  
27 DECEMBER 31, AND MARCH 31 THAT ARE EQUAL TO THE AMOUNT THAT WOULD

1 HAVE BEEN AVAILABLE FOR DISTRIBUTION TO CITIES, VILLAGES, AND  
2 TOWNSHIPS UNDER SECTION 481 OF ACT NO. 281 OF THE PUBLIC ACTS OF  
3 1967, OR THE AVERAGE OF THE AMOUNT OF THOSE COLLECTIONS THAT  
4 WOULD HAVE BEEN DISTRIBUTED TO CITIES, VILLAGES, AND TOWNSHIPS  
5 DURING NOVEMBER 1995, FEBRUARY 1996, AND MAY 1996, WHICHEVER IS  
6 LESS. A CITY'S, VILLAGE'S, OR TOWNSHIP'S SHARE OF REVENUES UNDER  
7 THIS SUBDIVISION SHALL BE COMPUTED USING THE TAX EFFORT FORMULA.

8 (B) TO CITIES, VILLAGES, AND TOWNSHIPS, DURING EACH AUGUST,  
9 THE COLLECTIONS FROM THE SALES TAX FOR THE QUARTER PERIOD ENDING  
10 THE IMMEDIATELY PRECEDING JUNE 30 THAT ARE EQUAL TO THE AMOUNT  
11 THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO CITIES, VIL-  
12 LAGES, AND TOWNSHIPS UNDER SECTION 481 OF ACT NO. 281 OF THE  
13 PUBLIC ACTS OF 1967, TO THE EXTENT SUCH COLLECTIONS EXCEED THE  
14 AMOUNT OF THOSE COLLECTIONS THAT WOULD HAVE BEEN DISTRIBUTED TO  
15 CITIES, VILLAGES, AND TOWNSHIPS DURING AUGUST 1996; AND DURING  
16 EACH NOVEMBER, FEBRUARY, AND MAY, THE COLLECTIONS FROM THE SALES  
17 TAX FOR THE QUARTER PERIODS ENDING THE IMMEDIATELY PRECEDING  
18 SEPTEMBER 30, DECEMBER 31, AND MARCH 31 THAT ARE EQUAL TO THE  
19 AMOUNT THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO CITIES,  
20 VILLAGES, AND TOWNSHIPS UNDER SECTION 481 OF ACT NO. 281 OF THE  
21 PUBLIC ACTS OF 1967, TO THE EXTENT SUCH APPROPRIATED COLLECTIONS  
22 EXCEED THE AVERAGE OF THE AMOUNT OF THOSE COLLECTIONS THAT WOULD  
23 HAVE BEEN DISTRIBUTED TO CITIES, VILLAGES, AND TOWNSHIPS DURING  
24 NOVEMBER 1995, FEBRUARY 1996, AND MAY 1996. A CITY'S, VILLAGE'S,  
25 OR TOWNSHIP'S SHARE OF REVENUES UNDER THIS SUBDIVISION SHALL BE  
26 COMPUTED ON A PER CAPITA BASIS.

1 (C) TO CITIES, VILLAGES, AND TOWNSHIPS, THE AMOUNT OF THE  
2 COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT OF THE SINGLE  
3 BUSINESS TAX THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO  
4 CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 136 OF ACT NO. 228  
5 OF THE PUBLIC ACTS OF 1975, OR THE AMOUNT OF THOSE COLLECTIONS  
6 THAT WOULD HAVE BEEN DISTRIBUTED TO CITIES, VILLAGES, AND TOWN-  
7 SHIPS UNDER SECTION 136 OF ACT NO. 228 OF THE PUBLIC ACTS OF 1975  
8 DURING THE STATE FISCAL YEAR BEGINNING OCTOBER 1, 1995, WHICHEVER  
9 IS LESS. A CITY'S, VILLAGE'S, OR TOWNSHIP'S SHARE OF REVENUES  
10 UNDER THIS SUBDIVISION SHALL BE COMPUTED USING THE TAX EFFORT  
11 FORMULA.

12 (D) TO CITIES, VILLAGES, AND TOWNSHIPS, THE AMOUNT OF THE  
13 COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT OF THE SINGLE  
14 BUSINESS TAX THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO  
15 CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 136 OF ACT NO. 228  
16 OF THE PUBLIC ACTS OF 1975, TO THE EXTENT SUCH COLLECTIONS EXCEED  
17 THE AMOUNT OF THOSE COLLECTIONS THAT WOULD HAVE BEEN DISTRIBUTED  
18 TO CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 136 OF ACT  
19 NO. 228 OF THE PUBLIC ACTS OF 1975 DURING THE STATE FISCAL YEAR  
20 BEGINNING OCTOBER 1, 1995. A CITY'S, VILLAGE'S, OR TOWNSHIP'S  
21 SHARE OF REVENUES UNDER THIS SUBDIVISION SHALL BE COMPUTED ON A  
22 PER CAPITA BASIS.

23 (E) THE DISTRIBUTION PROVIDED FOR UNDER SECTION 11.

24 (4) THIS SUBSECTION APPLIES TO DISTRIBUTIONS TO CITIES, VIL-  
25 LAGES, TOWNSHIPS, AND COUNTIES DURING THE 1998-1999 THROUGH  
26 2007-2008 STATE FISCAL YEARS FROM 21.74% OF THE COLLECTIONS,  
27 EXCLUSIVE OF THE AMOUNT DESIGNATED FOR ASSISTANCE TO TOWNSHIPS,

1 CITIES, AND VILLAGES UNDER SECTION 10 OF ARTICLE IX OF THE STATE  
2 CONSTITUTION OF 1963, OF THE SALES TAX LEVIED AT A RATE OF 4% TO  
3 IMPLEMENT DISTRIBUTIONS MADE TO CITIES, VILLAGES, TOWNSHIPS, AND  
4 COUNTIES PRIOR TO THE 1996-1997 STATE FISCAL YEAR FROM THE STATE  
5 INCOME TAX PURSUANT TO ACT NO. 281 OF THE PUBLIC ACTS OF 1967 AND  
6 FROM THE SINGLE BUSINESS TAX PURSUANT TO ACT NO. 228 OF THE  
7 PUBLIC ACTS OF 1975. IF, IN A STATE FISCAL YEAR, AS A RESULT OF  
8 THIS SUBSECTION, TOTAL PAYMENTS UNDER THIS ACT TO A CITY, VIL-  
9 LAGE, TOWNSHIP, OR COUNTY, EXCLUDING THE AMOUNT ATTRIBUTABLE TO  
10 AN INCREASE OVER THE IMMEDIATELY PRECEDING STATE FISCAL YEAR IN  
11 THE TOTAL COLLECTIONS AVAILABLE FOR DISTRIBUTION TO CITIES, VIL-  
12 LAGES, TOWNSHIPS, AND COUNTIES, WOULD OTHERWISE BE MORE THAN 5.4%  
13 HIGHER THAN TOTAL PAYMENTS UNDER THIS ACT TO THAT CITY, VILLAGE,  
14 TOWNSHIP, OR COUNTY IN THE IMMEDIATELY PRECEDING STATE FISCAL  
15 YEAR, THE EXCESS OVER 5.4% SHALL INSTEAD BE PAID ON A PER CAPITA  
16 BASIS TO CITIES, VILLAGES, TOWNSHIPS, AND COUNTIES WHOSE TOTAL  
17 PAYMENTS UNDER THIS ACT FOR THE STATE FISCAL YEAR ARE LESS THAN  
18 TOTAL PAYMENTS UNDER THIS ACT IN THE IMMEDIATELY PRECEDING STATE  
19 FISCAL YEAR. THE DEPARTMENT OF TREASURY SHALL CAUSE TO BE PAID  
20 TO EACH CITY, VILLAGE, TOWNSHIP, AND COUNTY ITS SHARE OF THE FOL-  
21 LOWING REVENUES:

22 (A) TO CITIES, VILLAGES, AND TOWNSHIPS, DURING EACH AUGUST,  
23 THE AMOUNT OF COLLECTIONS FROM SALES TAX EQUAL TO THE AMOUNT OF  
24 THE STATE INCOME TAX FOR THE QUARTER PERIOD ENDING THE IMMEDI-  
25 ATELY PRECEDING JUNE 30 THAT WOULD HAVE BEEN AVAILABLE FOR DIS-  
26 TRIBUTION TO CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 481 OF  
27 ACT NO. 281 OF THE PUBLIC ACTS OF 1967 AND THAT WOULD HAVE BEEN

1 DISTRIBUTED TO CITIES, VILLAGES, AND TOWNSHIPS DURING AUGUST  
2 1997; AND DURING EACH NOVEMBER, FEBRUARY, AND MAY, THE AVERAGE  
3 AMOUNT OF COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT OF  
4 THE STATE INCOME TAX FOR THE QUARTER PERIODS ENDING THE IMMEDI-  
5 ATELY PRECEDING SEPTEMBER 30, DECEMBER 31, AND MARCH 31 THAT  
6 WOULD HAVE BEEN DISTRIBUTED TO CITIES, VILLAGES, AND TOWNSHIPS  
7 DURING NOVEMBER 1995, FEBRUARY 1996, AND MAY 1996. THE COLLEC-  
8 TIONS TO BE DISTRIBUTED UNDER THIS SUBDIVISION DURING THE  
9 1998-1999 STATE FISCAL YEAR SHALL BE REDUCED BY AN AMOUNT EQUAL  
10 TO 10% OF THE INCOME TAX COLLECTIONS THAT WOULD HAVE BEEN DIS-  
11 TRIBUTED FOR THE CORRESPONDING PERIOD OR PERIODS DURING THE  
12 1995-1996 STATE FISCAL YEAR. THE AMOUNT OF COLLECTIONS TO BE  
13 DISTRIBUTED UNDER THIS SUBDIVISION DURING THE 1999-2000 STATE  
14 FISCAL YEAR AND EACH SUBSEQUENT STATE FISCAL YEAR SHALL EQUAL THE  
15 AMOUNT OF COLLECTIONS FOR THE CORRESPONDING PERIOD OR PERIODS  
16 DISTRIBUTED UNDER THIS SUBDIVISION DURING THE IMMEDIATELY PRECED-  
17 ING STATE FISCAL YEAR REDUCED BY 10% OF THE COLLECTIONS FOR THE  
18 CORRESPONDING PERIOD OR PERIODS DURING THE 1995-1996 STATE FISCAL  
19 YEAR. A CITY'S, VILLAGE'S, OR TOWNSHIP'S SHARE OF REVENUES UNDER  
20 THIS SUBDIVISION SHALL BE COMPUTED USING THE TAX EFFORT FORMULA.

21 (B) TO CITIES, VILLAGES, AND TOWNSHIPS, DURING EACH AUGUST,  
22 THE AMOUNT OF COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT  
23 OF THE STATE INCOME TAX FOR THE QUARTER PERIOD ENDING THE IMMEDI-  
24 ATELY PRECEDING JUNE 30 THAT WOULD HAVE BEEN AVAILABLE FOR DIS-  
25 TRIBUTION TO CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 481 OF  
26 ACT NO. 281 OF THE PUBLIC ACTS OF 1967, TO THE EXTENT SUCH  
27 COLLECTIONS EXCEED THE AMOUNT OF THOSE COLLECTIONS DISTRIBUTED TO

1 CITIES, VILLAGES, AND TOWNSHIPS UNDER SUBDIVISION (A); AND DURING  
2 EACH NOVEMBER, FEBRUARY, AND MAY, THE AMOUNT OF COLLECTIONS FROM  
3 THE SALES TAX EQUAL TO THE AMOUNT OF THE STATE INCOME TAX FOR THE  
4 QUARTER PERIODS ENDING THE IMMEDIATELY PRECEDING SEPTEMBER 30,  
5 DECEMBER 31, AND MARCH 31 THAT WOULD HAVE BEEN AVAILABLE FOR DIS-  
6 TRIBUTION TO CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 481 OF  
7 ACT NO. 281 OF THE PUBLIC ACTS OF 1967, TO THE EXTENT SUCH COL-  
8 LECTIONS EXCEED THE AMOUNT OF THOSE COLLECTIONS DISTRIBUTED TO  
9 CITIES, VILLAGES, AND TOWNSHIPS DURING THE CORRESPONDING PERIODS  
10 UNDER SUBDIVISION (A). A CITY'S, VILLAGE'S, OR TOWNSHIP'S SHARE  
11 OF REVENUES UNDER THIS SUBDIVISION SHALL BE COMPUTED ON A PER  
12 CAPITA BASIS.

13 (C) TO CITIES, VILLAGES, AND TOWNSHIPS, THE AMOUNT OF THE  
14 COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT OF THE SINGLE  
15 BUSINESS TAX THAT WOULD HAVE BEEN DISTRIBUTED TO CITIES, VIL-  
16 LAGES, AND TOWNSHIPS UNDER SECTION 136 OF ACT NO. 228 OF THE  
17 PUBLIC ACTS OF 1975 DURING THE 1995-1996 STATE FISCAL YEAR. THE  
18 COLLECTIONS TO BE DISTRIBUTED UNDER THIS SUBDIVISION DURING THE  
19 1999-2000 STATE FISCAL YEAR SHALL BE REDUCED BY AN AMOUNT EQUAL  
20 TO 10% OF THE SINGLE BUSINESS TAX COLLECTIONS THAT WOULD HAVE  
21 BEEN DISTRIBUTED FOR THE CORRESPONDING PERIOD OR PERIODS DURING  
22 THE 1995-1996 STATE FISCAL YEAR. THE AMOUNT OF COLLECTIONS TO BE  
23 DISTRIBUTED UNDER THIS SUBDIVISION DURING THE 2000-2001 STATE  
24 FISCAL YEAR AND EACH SUBSEQUENT STATE FISCAL YEAR SHALL EQUAL THE  
25 AMOUNT OF COLLECTIONS DISTRIBUTED UNDER THIS SUBDIVISION DURING  
26 THE IMMEDIATELY PRECEDING STATE FISCAL YEAR REDUCED BY 10% OF THE  
27 COLLECTIONS FOR THE 1995-1996 STATE FISCAL YEAR. A CITY'S,

1 VILLAGE'S, OR TOWNSHIP'S SHARE OF REVENUES UNDER THIS SUBDIVISION  
2 SHALL BE COMPUTED USING THE TAX EFFORT FORMULA.

3 (D) TO CITIES, VILLAGES, AND TOWNSHIPS, THE AMOUNT OF THE  
4 COLLECTIONS FROM THE SALES TAX EQUAL TO THE AMOUNT OF THE SINGLE  
5 BUSINESS TAX THAT WOULD HAVE BEEN AVAILABLE FOR DISTRIBUTION TO  
6 CITIES, VILLAGES, AND TOWNSHIPS UNDER SECTION 136 OF ACT NO. 228  
7 OF THE PUBLIC ACTS OF 1975, TO THE EXTENT SUCH COLLECTIONS EXCEED  
8 THE AMOUNT OF THOSE COLLECTIONS DISTRIBUTED TO CITIES, VILLAGES,  
9 AND TOWNSHIPS UNDER SUBDIVISION (C). A CITY'S, VILLAGE'S, OR  
10 TOWNSHIP'S SHARE OF REVENUES UNDER THIS SUBDIVISION SHALL BE COM-  
11 PUTED ON A PER CAPITA BASIS.

12 (E) THE DISTRIBUTION PROVIDED FOR UNDER SECTION 11.

13 (5) ~~(3)~~ The department of treasury shall pay to counties,  
14 cities, townships, and villages by October 31, 1995, \$2.00 per  
15 parcel for the administrative costs associated with the process-  
16 ing of homestead affidavits filed in those counties, cities,  
17 townships, and villages before December 1, 1994.

18 (6) DISTRIBUTIONS PROVIDED FOR BY THIS SECTION ARE SUBJECT  
19 TO AN ANNUAL APPROPRIATION BY THE LEGISLATURE.

20 Section 2. Sections 132, 134, and 137 of Act No. 228 of the  
21 Public Acts of 1975, being sections 208.132 and 208.134 of the  
22 Michigan Compiled Laws, are repealed.

23 Section 3. The following acts and parts of acts are  
24 repealed effective October 1, 1996:

25 (a) Section 481 of Act No. 281 of the Public Acts of 1967,  
26 being section 206.481 of the Michigan Compiled Laws.

1 (b) Section 136 of Act No. 228 of the Public Acts of 1975,  
2 being section 208.136 of the Michigan Compiled Laws.