

SUBSTITUTE FOR
HOUSE BILL NO. 4154

A bill to amend 1929 PA 48, entitled

"An act levying a specific tax to be known as the severance tax upon all producers engaged in the business of severing oil and gas from the soil; prescribing the method of collecting the tax; requiring all producers of such products or purchasers thereof to make reports; to provide penalties; to provide exemptions and refunds; to prescribe the disposition of the funds so collected; and to exempt those paying such specific tax from certain other taxes,"

by amending section 14 (MCL 205.314), as amended by 1994 PA 307.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 14. ~~-(1)-~~ All taxes shall accompany the report pro-
2 vided for in section 2. ~~Except as provided in subsection (2),~~
3 ~~all~~ ALL taxes, penalties, or costs paid to the state treasurer
4 under this act shall be paid into the state treasury and shall be
5 credited as follows:

6 (a) Two percent of the revenue received during each fiscal
7 year, but not less than \$1,000,000.00 shall be credited to the

HB4154, As Passed House, November 9, 1999

House Bill No. 4154

2

1 orphan well fund created in ~~the orphan well fund act~~ PART 616
2 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994
3 PA 451, MCL 324.61601 TO 324.61607. However, whenever the unex-
4 pended balance of the orphan well fund exceeds \$3,000,000.00,
5 further revenues shall not be credited to the orphan well fund
6 under this subdivision until the unexpended balance of the orphan
7 well fund becomes less than \$3,000,000.00.

8 (B) BEGINNING OCTOBER 1, 1999, 25% OF THE REVENUE RECEIVED
9 DURING EACH FISCAL YEAR SHALL BE DISBURSED AS PROVIDED IN
10 SECTION 14A.

11 (C) ~~(b)~~ The remaining revenue received during each fiscal
12 year that is not allocated pursuant to ~~subdivision (a)~~
13 SUBDIVISIONS (A) AND (B) shall be credited to the general fund of
14 ~~the~~ THIS state and shall be available for any purpose for which
15 the general fund is made available by law.

16 ~~(2) The revenue collected under subsection (1) in excess of~~
17 ~~\$16,000,000.00, shall be deposited in the general fund and shall~~
18 ~~be allocated for the payment of credits for heating fuel costs~~
19 ~~provided under section 527a of Act No. 281 of the Public Acts of~~
20 ~~1967, being section 206.527a of the Michigan Compiled Laws, for~~
21 ~~the fiscal year ending September 30, 1980 only.~~

22 Enacting section 1. This amendatory act does not take
23 effect unless House Bill No. 4155 of the 90th Legislature is
24 enacted into law.