



# HOUSE BILL No. 5558

April 11, 2000, Introduced by Reps. Scranton, Cassis, Stallworth, Pappageorge, Byl, Jellema, Birkholz, Garcia and Richner and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled  
"Use tax act,"  
by amending section 21 (MCL 205.111), as amended by 1994 PA 34.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 21. (1) Except as provided in ~~subsection (2)~~ THIS  
2 SECTION, all money received and collected under ~~the provisions~~  
3 ~~of~~ this act shall be deposited by the department of treasury, in  
4 the state treasury to the credit of the general fund, to be dis-  
5 bursed only by appropriations by the legislature.

6       (2) The collections from the use tax imposed at the addi-  
7 tional rate of 2% approved by the electors March 15, 1994 shall  
8 be deposited in the state school aid fund established in  
9 section 11 of article IX of the state constitution of 1963.

10       (3) IN EACH FISCAL YEAR, OF THE TOTAL COLLECTIONS OF THE USE  
11 TAX IMPOSED AT A RATE OF 4% DIRECTLY OR INDIRECTLY ON THE SALE OF

1 MOTOR VEHICLES, ON THE LEASE OF MOTOR VEHICLES, AND ON THE SALE  
2 OF THE PARTS AND ACCESSORIES OF MOTOR VEHICLES BY NEW AND USED  
3 CAR BUSINESSES, USED CAR BUSINESSES, ACCESSORY DEALER BUSINESSES,  
4 AND GASOLINE STATION BUSINESSES AS CLASSIFIED BY THE DEPARTMENT  
5 OF TREASURY, THE FOLLOWING AMOUNTS SHALL BE DEPOSITED IN THE FOL-  
6 LOWING FUNDS:

7       (A) SIXTY PERCENT OF THE TOTAL COLLECTIONS SHALL BE DEPOS-  
8 ITED IN THE STATE SCHOOL AID FUND ESTABLISHED IN SECTION 11 OF  
9 ARTICLE IX OF THE STATE CONSTITUTION OF 1963.

10       (B) NOT LESS THAN 27.9% OF 25% OF THE TOTAL COLLECTIONS  
11 SHALL BE DEPOSITED IN THE COMPREHENSIVE TRANSPORTATION FUND.

12       (C) THE BALANCE TO THE STATE GENERAL FUND.