

# HOUSE BILL No. 5745

April 1, 2004, Introduced by Reps. Caswell, Acciavatti, Taub, Casperson, Amos, Pastor, Moolenaar, Nitz, Brandenburg, Milosch and Emmons and referred to the Committee on Tax Policy.

A bill to amend 1985 PA 106, entitled  
"State convention facility development act,"  
by amending section 10 (MCL 207.630).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 10. (1) Any money remaining in the convention facility  
2 development fund at the end of the state fiscal year shall be  
3 transferred to the general fund of the state treasury to be  
4 distributed in the next state fiscal year pursuant to subsection  
5 (2).

6       (2) Money transferred from the convention facility  
7 development fund to the general fund pursuant to subsection (1)  
8 shall be distributed in the following order of priority in the  
9 following amounts:

10       (a) An amount equal to the difference, if any, between the  
11 tax imposed ~~pursuant to~~ **under** this act in the preceding state

1 fiscal year that is designated ~~pursuant to~~ **under** section 9 to a  
2 qualified local governmental unit and the tax imposed ~~pursuant~~  
3 ~~to~~ **under** this act that is designated ~~pursuant to~~ **under** section  
4 9 in the state fiscal year ~~prior to~~ **immediately preceding** the  
5 preceding state fiscal year for the same local governmental unit  
6 shall be distributed to that local governmental unit. This  
7 subdivision ~~shall~~ **does** not apply unless a tax has been imposed  
8 under this act in the entire 2 state fiscal years immediately  
9 preceding the state fiscal year in which a distribution under  
10 this subdivision is made. Any amount distributed ~~pursuant to~~  
11 **under** this subdivision shall be used by the local governmental  
12 unit only for the retirement of outstanding bonds, obligations,  
13 or other evidences of indebtedness incurred for which  
14 distributions ~~pursuant to~~ **under** section 9 are pledged. A  
15 distribution under this subdivision shall not be made to the  
16 extent that the obligations, bonds, or other evidences of  
17 indebtedness cannot be retired or are not outstanding.

18 (b) Of the money transferred ~~pursuant to~~ **under**  
19 subsection (1) and remaining after distributions under  
20 subdivision (a), an amount equal to that portion of the liquor  
21 tax collected ~~pursuant to the convention facility promotion tax~~  
22 ~~act~~ **under section 1207 of the Michigan liquor control code of**  
23 **1998, 1998 PA 58, MCL 436.2207,** from licensees in counties in  
24 which convention hotels are not located shall be distributed to  
25 those counties in which convention hotels are not located in the  
26 same proportion that the amount of tax collected ~~pursuant to the~~  
27 ~~convention facility promotion tax act~~ **under section 1207 of the**

1 **Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207,**  
2 in the preceding state fiscal year from the licensees in a county  
3 bears to the total tax collections ~~pursuant to the convention~~  
4 ~~facility promotion tax act~~ **under section 1207 of the Michigan**  
5 **liquor control code of 1998, 1998 PA 58, MCL 436.2207,** in the  
6 preceding state fiscal year from all counties in which convention  
7 hotels are not located.

8 (c) The remaining money transferred ~~pursuant to~~ **under**  
9 subsection (1) after distributions under subdivisions (a) and (b)  
10 shall be distributed to each county in the following amounts:

11 (i) The amount of money available to be distributed under  
12 this subdivision multiplied by the percentage of collections in  
13 the preceding state fiscal year under ~~the convention facility~~  
14 ~~promotion tax act~~ **section 1207 of the Michigan liquor control**  
15 **code of 1998, 1998 PA 58, MCL 436.2207,** from licensees in  
16 counties in which convention hotels are not located shall be  
17 distributed to each county in which convention hotels are not  
18 located in the same proportion that the amount of tax collected  
19 pursuant to ~~the convention facility promotion tax act~~ **section**  
20 **1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL**  
21 **436.2207,** in the preceding state fiscal year from licensees in  
22 that county bears to the total tax collections from ~~the~~  
23 ~~convention facility promotion tax act~~ **section 1207 of the**  
24 **Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207,**  
25 in the preceding state fiscal year from all counties in which  
26 convention hotels are not located.

27 (ii) The amount of money available to be distributed under

1 this subdivision multiplied by the percentage of collections in  
2 the preceding state fiscal year under ~~the convention facility~~  
3 ~~promotion tax act~~ **section 1207 of the Michigan liquor control**  
4 **code of 1998, 1998 PA 58, MCL 436.2207**, from licensees in  
5 counties in which convention hotels are located shall be  
6 distributed to each county in which convention hotels are located  
7 in the same proportion that the amount of tax collected pursuant  
8 to ~~the convention facility promotion tax act~~ **section 1207 of**  
9 **the Michigan liquor control code of 1998, 1998 PA 58, MCL**  
10 **436.2207**, in the preceding state fiscal year from licensees in  
11 that county bears to the total tax collections from ~~the~~  
12 ~~convention facility promotion tax act~~ **section 1207 of the**  
13 **Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207**,  
14 in the preceding state fiscal year from all counties in which  
15 convention hotels are located. However, in the calculation of  
16 the proportion represented by a county's share of distributions  
17 under this subparagraph, the amount of the tax collected from  
18 licensees in the qualified local governmental unit that received  
19 distributions under section 9 in the last state fiscal year shall  
20 not be included.

21 (3) A distribution to a county pursuant to this section  
22 shall be included for purposes of the calculations required to be  
23 made by section 24e of the general property tax act, ~~Act No. 206~~  
24 ~~of the Public Acts of 1893, being section 211.24e of the Michigan~~  
25 ~~Compiled Laws~~ **1893 PA 206, MCL 211.24e**. If the governing body  
26 of a taxing unit approves the additional millage rate under  
27 section 24e of the general property tax act, ~~Act No. 206 of the~~

1 ~~Public Acts of 1893~~ **1893 PA 206, MCL 211.24e**, which is due to  
2 distributions pursuant to this section, then an amount equal to  
3 50% of the distribution under this section ~~shall~~ **may** be used  
4 for substance abuse treatment within the taxing unit.