

HOUSE BILL No. 4064

January 27, 2005, Introduced by Rep. Caswell 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 development
7 fund to the general fund pursuant to subsection (1) shall be
8 distributed in the following order of priority in the following
9 amounts:

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

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

1 tax collected ~~pursuant to the convention facility promotion tax~~
2 ~~act~~ **UNDER SECTION 1207 OF THE MICHIGAN LIQUOR CONTROL CODE OF**
3 **1998, 1998 PA 58, MCL 436.2207,** in the preceding state fiscal year
4 from the licensees in a county bears to the total tax collections
5 ~~pursuant to the convention facility promotion tax act~~ **UNDER**
6 **SECTION 1207 OF THE MICHIGAN LIQUOR CONTROL CODE OF 1998, 1998 PA**
7 **58, MCL 436.2207,** in the preceding state fiscal year from all
8 counties in which convention hotels are not located.

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

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

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

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

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

1 this section, then an amount equal to 50% **THE FOLLOWING PERCENTAGE**
2 of the distribution under this section ~~shall~~ **MAY** be used for
3 substance abuse treatment within the taxing unit: -

4 (A) **FOR A COUNTY IN THE UPPER PENINSULA, 40%.**

5 (B) **FOR A COUNTY IN THE LOWER PENINSULA, 25%.**