

# HOUSE BILL No. 6322

July 23, 2008, Introduced by Rep. Knollenberg and referred to the Committee on Transportation.

A bill to provide for a specific tax on motor fuel by certain counties; to describe powers of certain counties and state agencies; and to authorize direct local elections pertaining to specific motor fuel taxes.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2       "county motor fuel tax act".

3       Sec. 2. No county shall impose a specific tax on motor fuels  
4       except as provided under this act. Beginning January 1, 2009, a  
5       county that has obtained direct voter approval under section 25 of  
6       article IX of the state constitution of 1963 may impose a specific  
7       tax on motor fuel sold or used in the county or counties. In  
8       addition to any other requirements imposed by law, the ballot  
9       question that proposes the authorization of the tax shall

1 specifically state how the proceeds of the tax are distributed. The  
2 rate of tax imposed under this act shall be up to 3 cents per  
3 gallon of motor fuel if a single county is imposing the tax. Two  
4 adjacent counties may combine to impose a tax of up to 5 cents per  
5 gallon, and 3 adjacent counties may combine to impose a tax of up  
6 to 7 cents per gallon. If 2 or more adjacent counties combine to  
7 impose taxes higher than 3 cents per gallon, they shall enter into  
8 a contract that sets forth agreements on the use and distribution  
9 of revenue and the procedure the counties will use to determine  
10 projects that will be funded. The adjacent counties may provide for  
11 additional agreements in a contract entered into under this  
12 section.

13       Sec. 3. The governing body of a county or counties may provide  
14 a means of collection of the tax. The tax collected shall be  
15 deposited into the Michigan transportation fund for use in road  
16 construction, preservation, and maintenance, public transportation  
17 and related infrastructure, and nonmotorized transportation  
18 infrastructure as approved by the voters in the county or counties  
19 where the tax was collected.

20       Sec. 4. A county or counties that impose a tax on motor fuel  
21 under this act may enter into an agreement with the department of  
22 treasury, under which the department of treasury shall administer,  
23 enforce, and collect the county income tax on behalf of the county.

24       Sec. 5. As used in this act, "motor fuel" means that term as  
25 defined in section 4 of the motor fuel tax act, 2000 PA 403, MCL  
26 207.1004.