

# HOUSE BILL NO. 5095

October 10, 2019, Introduced by Rep. Cynthia Johnson and referred to the Committee on Tax Policy.

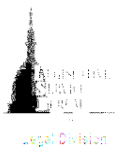
A bill to provide for the levy, collection, and administration of an excise tax on the privilege of selling ammunition in this state; to provide for the disposition of the proceeds of the excise tax; to prescribe the powers and duties of certain state departments; and to provide for certain exemptions.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. As used in this act:

2       (a) "Firearm" means that term as defined in section 528a of  
3 the Michigan penal code, 1931 PA 328, MCL 750.528a.

4       (b) "Unit of ammunition" means a projectile or projectile core  
5 that may be used in a firearm.



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1 (c) "Wholesaler" means a person that makes a sale for the  
2 purposes of resale.

3 Sec. 2. There shall be levied and collected an excise tax on  
4 the privilege of selling ammunition in this state at a rate of 10%  
5 of the sale price for each unit of ammunition. The excise tax shall  
6 be collected from the manufacturer if the ammunition is  
7 manufactured in this state, by the wholesaler or the person from  
8 whom the ammunition is purchased if manufactured outside this state  
9 but sold in this state, or from the purchaser if the ammunition is  
10 manufactured and purchased outside of this state.

11 Sec. 3. The excise tax imposed by this act shall be collected  
12 at the same time and in the same manner as the tax imposed by the  
13 use tax act, 1937 PA 94, MCL 205.91 to 205.111.

14 Sec. 4. (1) The excise tax imposed by this act shall be  
15 administered by the state treasurer under 1941 PA 122, MCL 205.1 to  
16 205.31.

17 (2) The state treasurer shall prescribe the forms necessary  
18 for the administration of this act and may promulgate necessary  
19 rules under the administrative procedures act of 1969, 1969 PA 306,  
20 MCL 24.201 to 24.328.

21 Sec. 5. A taxpayer may reimburse himself or herself by adding  
22 the amount of the excise tax to the sale price of the ammunition.

23 Sec. 6. Proceeds from the collection of the excise tax imposed  
24 by this act shall be deposited in the state treasury, credited to  
25 the crime victim's rights fund created in section 4 of 1989 PA 196,  
26 MCL 780.904.

27 Sec. 7. The manufacturer of ammunition in this state or the  
28 wholesaler or person from whom ammunition is purchased in this  
29 state shall provide the purchaser of the ammunition with a



- 1 certificate certifying that the excise tax has been or shall be
- 2 paid.

