

USE TAX ACT (EXCERPT)
Act 94 of 1937

***** 205.111.amended[2] THIS AMENDED SECTION IS EFFECTIVE WHEN THE CONDITIONS APPLIED BY ENACTING SECTION 1 OF ACT 81 OF 2014 ARE MET: See enacting section 1 of Act 81 of 2014 *****

205.111.amended[2] Deposit and disbursement of money.

Sec. 21. (1) Except as provided in subsections (2), (3), and (4), all money received and collected under this act shall be deposited by the department of treasury in the state treasury to the credit of the general fund, to be disbursed only by appropriations by the legislature.

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

(3) From the money received and collected under this act for the state component, an amount equal to all revenue lost under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and all revenue lost from basic school operating mills as a result of the exemption of personal property under section 9m, 9n, and 9o of the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o, as determined by the department, shall be deposited into the school aid fund established by section 11 of article IX of the state constitution of 1963. Funds deposited into the school aid fund under this subsection shall not include the portion of the state component of the use tax imposed at the additional rate of 2% approved by the electors of this state on March 15, 1994 and dedicated for aid to schools under subsection (2).

(4) All money received and collected under this act for the metropolitan areas component shall not be deposited in the state treasury as state funds and shall be transmitted to the authority for deposit in the treasury of the authority, to be disbursed by the authority only as authorized under the Michigan metropolitan areas metropolitan authority act. The metropolitan areas component is a local tax, not a state tax, and money received and collected for the metropolitan areas component is money of the authority and not money of this state.

History: 1937, Act 94, Eff. Oct. 29, 1937;—CL 1948, 205.111;—Am. 1949, Act 273, Eff. July 1, 1949;—Am. 1959, Act 263, Eff. Sept. 1, 1959;—Am. 1974, Act 309, Eff. Jan. 1, 1975;—Am. 1987, Act 260, Imd. Eff. Dec. 28, 1987;—Am. 1993, Act 326, Eff. May 1, 1994;—Am. 1994, Act 34, Imd. Eff. Mar. 7, 1994;—Am. 2010, Act 37, Imd. Eff. Mar. 31, 2010;—Am. 2012, Act 408, Eff. (pending).

Compiler's note: Enacting section 1 of Act 408 of 2012 provides:

"Enacting section 1. This amendatory act does not take effect unless approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014. This amendatory act shall be submitted to the qualified electors of this state at that election as provided by the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992. When submitted to the qualified electors of this state, this amendatory act shall be presented with the following question:

"APPROVAL OR DISAPPROVAL OF THE AMENDATORY ACT DEDICATING A PORTION OF USE TAX REVENUE TO BENEFIT METROPOLITAN AREAS THROUGHOUT THIS STATE

The amendatory act adopted by the Legislature would:

1. Dedicate a portion of the existing state use tax as a local tax levied by a new metropolitan areas authority.
2. Distribute revenue from that local tax throughout the state for local purposes, including police and fire protection.
3. Increase that portion of the state use tax currently dedicated for aid to schools.
4. Prohibit the total use tax rate from exceeding the constitutional limit of 6%.

Should this amendatory act be approved?

YES ☐

NO ☐.

Enacting section 2 of Act 408 of 2012 provides:

"Enacting section 2. If approved by the qualified electors of this state as provided in enacting section 2, this amendatory act takes effect January 1, 2015."

Enacting section 1 of Act 81 of 2014 provides:

"Enacting section 1. This amendatory act, 2012 PA 408, does not take effect unless approved by a majority of the qualified electors of this state voting on the question at an election. If Senate Bill No. 822 of the 97th Legislature is enacted and submitted to the qualified electors of this state at the August regular election date in 2014, this amendatory act, 2012 PA 408, shall not be submitted to the qualified electors of this state. If Senate Bill No. 822 of the 97th Legislature is not enacted and not submitted to the qualified electors of this state at the August regular election date in 2014, this amendatory act, 2012 PA 408, shall be submitted to the qualified electors of this state at that election as provided by the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992. When submitted to the qualified electors of this state, this amendatory act, 2012 PA 408, shall be presented with the following question:

"APPROVAL OR DISAPPROVAL OF 2012 PA 408, AN AMENDATORY ACT DEDICATING A PORTION OF USE TAX REVENUE TO BENEFIT METROPOLITAN AREAS THROUGHOUT THIS STATE

2012 PA 408 would:

1. Dedicate a portion of the existing state use tax as a local tax levied by a new metropolitan areas authority.
2. Distribute revenue from that local tax throughout the state for local purposes, including police and fire protection.
3. Increase that portion of the state use tax currently dedicated for aid to schools.
4. Prohibit the total use tax rate from exceeding the constitutional limit of 6%.

Should this amendatory act be approved?

YES ☐

NO ☐."

Enacting 2 of Act 81 of 2014 provides:

"Enacting section 2. If approved by the qualified electors of this state as provided in enacting section 1, this amendatory act takes effect January 1, 2015."