

**SUBSTITUTE FOR  
HOUSE BILL NO. 5315**

A bill to amend 1941 PA 122, entitled

"An act to establish a revenue division of the department of treasury; to prescribe its powers and duties as the revenue collection agency of the state; to prescribe certain powers and duties of the state treasurer; to create the position and to define the powers and duties of the state commissioner of revenue; to provide for the transfer of powers and duties now vested in certain other state boards, commissions, departments and offices; to prescribe certain duties of and require certain reports from the department of treasury; to provide procedures for the payment, administration, audit, assessment, levy of interests or penalties on, and appeals of taxes and tax liability; to prescribe its powers and duties if an agreement to act as agent for a city to administer, collect, and enforce the city income tax act on behalf of a city is entered into with any city; to provide an appropriation; to abolish the state board of tax administration; and to declare the effect of this act,"

by amending the title and section 18 (MCL 205.18), the title as amended by 1996 PA 479 and section 18 as added by 1980 PA 162, and by adding section 14.

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

**HB5315, As Passed House, September 22, 1998**

House Bill No. 5315

2

1 TITLE

2 An act to establish a revenue division of the department of  
3 treasury; to prescribe its powers and duties as the revenue col-  
4 lection agency of the state; to prescribe certain powers and  
5 duties of the state treasurer; TO REGULATE THE IMPORTATION,  
6 STAMPING, AND DISPOSITION OF CERTAIN TOBACCO PRODUCTS; to create  
7 the position and to define the powers and duties of the state  
8 commissioner of revenue; to provide for the transfer of powers  
9 and duties now vested in certain other state boards, commissions,  
10 departments and offices; to prescribe certain duties of and  
11 require certain reports from the department of treasury; to pro-  
12 vide procedures for the payment, administration, audit, assess-  
13 ment, levy of interests or penalties on, and appeals of taxes and  
14 tax liability; to prescribe its powers and duties if an agreement  
15 to act as agent for a city to administer, collect, and enforce  
16 the city income tax act on behalf of a city is entered into with  
17 any city; to provide an appropriation; to abolish the state board  
18 of tax administration; and to declare the effect of this act.

19 SEC. 14. (1) A PERSON SHALL NOT IMPORT INTO THIS STATE A  
20 TOBACCO PRODUCT THAT VIOLATES ANY FEDERAL REQUIREMENT FOR THE  
21 PLACEMENT OF LABELS, WARNINGS, OR ANY OTHER INFORMATION, INCLUD-  
22 ING HEALTH HAZARDS, REQUIRED TO BE PLACED ON THE CONTAINER OR  
23 INDIVIDUAL PACKAGE.

24 (2) A PERSON SHALL NOT PLACE A STAMP OR A COUNTERFEIT STAMP  
25 ON A TOBACCO PRODUCT UNLESS THAT PACKAGE OF TOBACCO PRODUCTS COM-  
26 PLIES WITH ALL FEDERAL TAX LAWS, FEDERAL TRADEMARK AND COPYRIGHT  
27 LAWS, AND ALL FEDERAL LAWS REGARDING THE PLACEMENT OF LABELS,

**HB5315, As Passed House, September 22, 1998**

House Bill No. 5315

3

1 WARNINGS, OR ANY OTHER INFORMATION UPON A PACKAGE OF TOBACCO  
2 PRODUCTS.

3 (3) A PERSON THAT ACQUIRES, POSSESSES, SELLS, OR OFFERS FOR  
4 SALE PACKAGES OF TOBACCO PRODUCTS STAMPED OR MARKED IN VIOLATION  
5 OF THIS SECTION IS SUBJECT TO THE SAME PENALTIES AS DESCRIBED IN  
6 SECTION 9 OF THE TOBACCO PRODUCTS TAX ACT, 1993 PA 327, MCL  
7 205.429. A PERSON THAT ACQUIRES, POSSESSES, SELLS, OR OFFERS FOR  
8 SALE PACKAGES OF TOBACCO PRODUCTS STAMPED OR MARKED IN VIOLATION  
9 OF THIS SECTION IS SUBJECT TO CRIMINAL CHARGES AS PROVIDED IN THE  
10 TOBACCO PRODUCTS TAX ACT, 1993 PA 327, MCL 205.421 TO 205.436.

11 (4) THE DEPARTMENT MAY REVOKE THE LICENSE OF A LICENSEE  
12 UNDER THE TOBACCO PRODUCTS TAX ACT, 1993 PA 327, MCL 205.421 TO  
13 205.436, FOR A VIOLATION OF THIS SECTION.

14 (5) THE DEPARTMENT IS AUTHORIZED TO OBTAIN AND EXCHANGE  
15 INFORMATION WITH THE UNITED STATES CUSTOMS SERVICE FOR THE PUR-  
16 POSE OF ENFORCING THIS SECTION.

17 (6) THE DEPARTMENT MAY ASSESS TAX DUE, PENALTY, AND INTEREST  
18 ON TOBACCO PRODUCTS ACQUIRED, POSSESSED, SOLD, OR OFFERED FOR  
19 SALE IN VIOLATION OF THIS SECTION.

20 (7) AS USED IN THIS SECTION:

21 (A) "STAMP" OR "COUNTERFEIT STAMP" MEANS THOSE TERMS AS  
22 DEFINED IN SECTION 2 OF THE TOBACCO PRODUCTS TAX ACT, 1993 PA  
23 327, MCL 205.422.

24 (B) "TOBACCO PRODUCT" MEANS THAT TERM AS DEFINED IN THE  
25 TOBACCO PRODUCTS TAX ACT, 1993 PA 327, MCL 205.422.

26 Sec. 18. (1) The department shall publish annually a report  
27 containing statistical data on revenue collections made by the

**HB5315, As Passed House, September 22, 1998**

House Bill No. 5315

4

1 department during the past fiscal year and may publish additional  
2 reports on a periodic basis.

3       (2) BEGINNING JANUARY 1, 1999, REVENUE FORECASTING REPORTS  
4 MADE BY THE DEPARTMENT UNDER THIS ACT OR MADE BY THE DEPARTMENT  
5 AS OTHERWISE PROVIDED BY LAW MAY INCLUDE DYNAMIC REVENUE  
6 FORECASTING. AS USED IN THIS SUBSECTION, "DYNAMIC REVENUE  
7 FORECASTING" MEANS FORECASTING THE DIRECT IMPACT OF A TAX LAW  
8 CHANGE ON REVENUES AND THE OTHER EFFECTS OF TAX LAW CHANGES ON  
9 THE BEHAVIOR OF TAXPAYERS AND ON OVERALL ECONOMIC ACTIVITY.