
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 466 (as reported without amendment)
Senate Bill 467 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Joel D. Gougeon
Committee: Finance

CONTENT

Senate Bill 466 would amend the General Sales Tax Act to exempt from the tax sales of dust control chemicals to a person that had a service contract with a local governmental unit to spread the chemicals on gravel roads within the local unit.

Senate Bill 467 (S-1) would amend the Use Tax Act to provide that the tax would not apply to the storage, use, or consumption of dust control chemicals purchased by a person that had a service contract with a local governmental unit to spread the chemicals on gravel roads within the local unit. The bill specifies that it would be effective for taxes levied after May 29, 1990.

Proposed MCL 205.54r (S.B. 466)
Proposed MCL 205.94p (S.B. 467)

Legislative Analyst: G. Towne

FISCAL IMPACT

Senate Bills 466 and 467 (S-1) would reduce sales and use tax revenue by under \$1.0 million. Most of the loss would come from the sales tax, which would reduce School Aid Fund revenue by \$0.7 million, General Fund/General Purpose revenue by \$0.02 million, and State revenue sharing payments to local units of government by \$0.3 million.

Date Completed: 5-11-99

Fiscal Analyst: R. Ross