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**SFA**

BILL ANALYSIS

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Senate Bill 892 (Substitute S-1)  
Sponsor: Senator Glenn D. Steil  
Committee: Finance

Date Completed: 3-7-00

### **CONTENT**

**The bill would amend the revenue Act to provide certain exceptions to the Act's prohibition against the disclosure of any facts or information obtained in connection with the administration of a tax, if the facts or information involved a casino licensee licensed under the Michigan Gaming Control and Revenue Act.**

Currently, under the revenue Act, other than for specified exceptions, an employee, authorized representative, or former employee or authorized representative of the Department of Treasury, or anyone connected with the Department, may not divulge any facts or information obtained in connection with the administration of a tax, or information or parameters that would enable a person to ascertain the audit selection or processing criteria of the Department. The bill provides that this prohibition would not apply to the "adjusted gross receipts" and the "wagering tax" paid by a casino licensee, if released by any of the following:

- An employee or authorized representative who released information to the extent required under Section 18 of the Act. (Section 18 requires the Department to publish an annual report of statistical data on revenue collections.)
- The executive director of the Gaming Control Board, or his or her authorized representative.
- An employee or authorized representative who released information required under Sections 341, 342, and 386 of the Management and Budget Act. (These sections require the State budget director to prepare and control the State budget; conduct statistical studies; and prepare monthly financial reports, including a statement of monthly revenue collections.)

The bill would define "adjusted gross receipts" and "wagering tax" as those terms are defined under the Michigan Gaming Control and Revenue Act. "Adjusted gross receipts" means gross receipts minus winnings paid to wagerers. The "wagering tax" is the 18% tax levied on a casino's adjusted gross receipts.

The bill also specifies that an employee or authorized representative could not intentionally view or inspect any return, or information contained in a return, unless it was appropriate for that employee or representative to view and inspect the return or information for the proper administration of a tax law administered under the revenue Act.

(The Michigan Gaming Control and Revenue Act does not include casinos on Native American land, operated under the Federal Indian Gaming Regulatory Act. Therefore, the bill would not apply to those casinos.)

MCL 205.28

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: E. Limbs

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.