J-04b

CITY OF FERNDALE

RESOLUTION

CONSIDERATION OF CONSTITUTIONAL AMENDMENT REGARDING TRANSIT FUNDING

Moved by Councilman Galloway, seconded by Councilman Covey, that the Ferndale City Council hereby requests State Senator Gilda Jacobs and State Representative Andy Meisner to introduce a Joint Resolution to the Michigan Legislature to allow the voters of Michigan to consider an Amendment to the Michigan Constitution in the Fall of 2006, to give voters within the geography of a transportation authority, no less than one County in size, the local option of authorizing a one-half cent sales tax to fund capital investment construction and operating costs of a rapid transit system and a one-half cent sales tax to fund road improvements within the geography of a transportation authority that has also funded transit. We further ask that this be considered a non-partisan or bi-partisan approach to provide Michigan residents and communities with a basic tool and choice that can help balance our transportation system, stimulate our economy, enhance the quality of life, lessen our dependence on Mid-East oil, and take some of the pressure off of some of our roads, and begin to provide transportation choices for the many, many people who will need them during one or more stages of their lives, including during periods of major road repairs. We further encourage all businesses and sister communities to support this vital and timely effort.

AYES: Council Members Galloway, Gumbleton, Covey, Lennon; Mayor Porter
NAYS: None
MOTION CARRIED

I, Karen Pedro, City Clerk of the City of Ferndale, certify that this is a true and compared copy of a Resolution duly made and passed by the Ferndale City Council at a meeting held April 10, 2006.

Karen Pedro

Karen Pedro, City Clerk

Sales tax; other; public transportation authority; allow to levy a supplemental sales tax.
Sales tax: other; Transportation: authorities; Constitutional amendments: state

proposed const. Amendment to allow transit funding via sales tax

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 8 of article IX to permit a public transportation authority to levy a supplemental sales tax.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to permit a public transportation authority to levy a supplemental sales tax, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 8. Except as provided in this section, the Legislature shall not impose a sales tax on retailers at a rate of more than 4% of their gross taxable sales of tangible personal property.

1 Beginning May 1, 1994, the sales tax shall be imposed on
2 retailers at an additional rate of 2% of their gross taxable sales
3 of tangible personal property not exempt by law and the use tax at
4 an additional rate of 2%. The proceeds of the sales and use taxes
5 imposed at the additional rate of 2% shall be deposited in the
6 state school aid fund established in section 11 of this article.
7 The allocation of sales tax revenue required or authorized by
8 sections 9 and 10 of this article does not apply to the revenue
9 from the sales tax imposed at the additional rate of 2%.
10 **BEGINNING JANUARY 1, 2007, A PUBLIC TRANSPORTATION AUTHORITY**
11 **MAY IMPOSE ON RETAILERS LOCATED WITHIN THE LIMITS OF THE PUBLIC**
12 **TRANSPORTATION AUTHORITY A SUPPLEMENTAL SALES TAX OF NOT MORE THAN**
13 **2.5% OF THEIR GROSS TAXABLE SALES OF TANGIBLE PERSONAL PROPERTY NOT**
14 **EXEMPT BY LAW, IF THE LEVY OF THE SUPPLEMENTAL SALES TAX IS**
15 **APPROVED BY A MAJORITY OF THE QUALIFIED ELECTORS RESIDING WITHIN**
16 **THE LIMITS OF THE PUBLIC TRANSPORTATION AUTHORITY VOTING AT A**
17 **GENERAL ELECTION OR SPECIAL ELECTION CALLED FOR THAT PURPOSE.**
18 No sales tax or use tax shall be charged or collected from and
19 after January 1, 1975 on the sale or use of prescription drugs for
20 human use, or on the sale or use of food for human consumption
21 except in the case of prepared food intended for immediate
22 consumption as defined by law. This provision shall not apply to
23 alcoholic beverages.
24 Resolved further, That the foregoing amendment shall be
25 submitted to the people of the state at the next general election
26 in the manner provided by law.