



# MEMORANDUM

To: Members of the Senate Committee on Finance



From: Michigan Association of School Boards  
Michigan Education Association  
Middle Cities Education Association  
Michigan Association of School Administrators  
Michigan Association of Intermediate School Administrators  
AFT Michigan  
Michigan Elementary and Middle School Principals Association  
Michigan Association of Secondary School Principals



RE: Opposition to Senate Bills 10-11

Date: March 24, 2015



We write today in opposition to Senate Bills 10 and 11 which would accelerate the sales and use tax cuts on difference between the price of a new and used vehicle or watercraft. Last session a phase-in of this policy was started at \$2000 and increased by \$500 each year. These bills will double the loss to the School Aid Fund in 2015 alone.



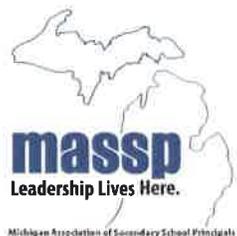
Our concerns lie in the bigger picture. While this particular bill may seem to be only a small decrease to the SAF, when added to the many other policies passed in recent years, revenue streams to the School Aid Fund continue to be eroded.



Last session seven new laws were signed that totaled over \$160 million in cuts to SAF revenue. This includes the original bills removing the sales tax from a portion of these purchases. There were 13 other laws signed that each had an indeterminate negative affect on local property tax and School Aid Fund revenue.



We urge you to look very closely at this bill and similar ones and the collateral damage they have over time. Our schools will continue to see cuts if the school aid fund does not receive the revenue necessary to support our students and communities.



We urge you to oppose these bills. If you have any questions, please feel free to contact any of us in the education community listed.