



# MEMORANDUM

To: Members of the House Committee on Tax Policy



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



RE: Opposition to House Bills 4350-4351

Date: March 15, 2017



We write today in opposition to House Bills 4350-4351 which would exempt certain aviation equipment from the sales and use taxes. We oppose due to the adverse effect these bills will have on the School Aid Fund. As you know, more than 70% of the revenue from sales and use taxes is dedicated to the SAF.



Our concerns lie in the bigger picture. While these particular bills 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 eleven new laws were signed that each had an indeterminate negative affect on local property tax and School Aid Fund revenue.



The Governor's 21<sup>st</sup> Century Education Commission recently released its report and included as one of its major findings was the need to increase investment in education at all levels. Continued erosion of the revenue streams to our schools will limit resources for all students.

We urge you to look very closely at these bills and others like it 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 until the SAF is held harmless by the cuts proposed. If you have any questions, please feel free to contact any of us in the education community listed.

