

From SEMTA, oil dealers

Plan to boost road taxes gets mixed reviews

A wide-ranging series of proposals that would boost taxes for state motorists by more than \$100 million a year was endorsed by SEMTA last week and opposed by a group of 400 petroleum product distributors.

The five-bill package would increase license plate fees for most state motorists to \$28, peg the fee in future years to income growth, hike taxes on car sales, and link state gasoline taxes to the price of fuel.

THE MICHIGAN Petroleum Association, with a membership of 400 independent distributors, called the gasoline tax conversion to 11 percent of wholesale price from the flat 11 cents a gallon "highly inflationary."

Thomas G. Cordell, executive director, said, "Three presently is a glut of gasoline on the market, and gasoline prices are comparatively low. When this glut disappears, prices are going to rise, no matter how distasteful that

thought is." The oil group also objected to a tax increase as long as gasoline gets a five-cents tax break.

The Southeastern Michigan Transportation Authority (SEMTA) board last week approved a resolution backing the plan. SEMTA agreed to join the Statewide Coalition for Balanced Transportation, a group of tax-plan backers.

ESTIMATES SAY the proposals would increase vehicle registration fees by about \$51 million every year, boost fuel taxes by about \$58 million (\$55 million of that in gasoline taxes and \$3 million in diesel taxes) and hike vehicle sales taxes by nearly \$8 million a year.

Bipartisan co-sponsors are Rep. Mary Brown, D-Kalamazoo, and Martin Butch, R-Rochester.

Other backers include the Michigan Municipal League and the Oakland County Road Commission.

THE BILLS were introduced in response to complaints of many road agencies that new, fuel-efficient autos burn less gasoline and generate less taxes for roads.

The package would mark a shift from a "specific" tax on fuel where tax is set and assessed per gallon of gas regardless of market value to an ad valorem method where the tax is tied to the price.

If approved, the measures would increase funding for road maintenance to local units of government by about 15 percent next year.

Truck weight taxes would be hiked 35 percent and would rise as state personal incomes rose.

One bill would change the way gas tax revenues are funneled to SEMTA, resulting in more than half of all the taxes collected statewide for public

transportation being allocated to SEMTA.

That provision of the package would also cause millions of dollars in revenues collected under special tri-county license plate and title transfer taxes to be delivered to SEMTA. The money is currently held in escrow under a March court order.

REVENUES for road construction and repair and public transportation have declined since early last year, when rapidly rising fuel costs and more fuel-efficient cars resulted in the sale of less gasoline.

Gasoline taxes now are set at 11 cents a gallon. Diesel fuel taxes are 5 cents a gallon for most trucks and all vehicles with three axles.

The bills are tie-barred, meaning all must be approved in order for any to

take effect. They would change the tax to 11 percent of the wholesale price of gasoline averaged over a six-month period. The state treasurer would determine the exact rate, rounded to the nearest one-tenth cent.

The five-cent discount for trucks would be eliminated under one of the five bills, but that move was reportedly a mistake. The discount will reportedly be continued under an amended version

of the bill. The changes would mean gas taxes would rise as the price of gas rises.

Under a 1933 state law, 25 percent of sales taxes collected on all transportation-related purchases — including car sales, fuel sales, and the sale of auto parts and accessories — is delivered to the state. Under the proposed bills, all that money would be specifically earmarked for transportation by 1985.

OU draws local students to campus

Oakland University will begin the fall semester near or above the record enrollment achieved last year. And 85 percent of the new students come from Oakland and Macomb counties.

Registration for the fall semester will run from Sept. 2-4 with classes opening on Sept. 8.

Undergraduate students who have not been accepted by the Office of Admissions and Scholarships prior to Aug. 24 are unable to enroll for on-campus courses for fall.

Graduate enrollment remains open.

ADMISSIONS applications for fall were up nearly 20 percent over a year earlier, and the university will admit approximately 1,250 new freshmen and 1,000 transfer students.

More than half of the above students will come from Pontiac, Rochester, Utica-Sterling Heights and Troy.

University officials said the 2,250 new freshman and transfer students along with returning undergraduates and new graduate students would bring

fall enrollment near or above the record 12,006 students enrolled last fall.

OU STATISTICS show that 70 percent of all OU undergraduates will come from communities within 15 miles of the university.

Some 43 percent of the men and 11 percent of the women will enter computer and information science or engineering as major fields.

The completion of O'Dowd Hall, the new \$8.3-million classroom-office building, enables the university to add 275 students to the residence hall rolls. These spaces in Vandenberg West Tower had been used for faculty office space. Residence Hall occupancy is 100 percent with 1,850 students in the halls.

An additional 48 units are available in a married-student housing project just opened. Occupancy of that facility is expected to be 100 percent.

The university is budgeted for 9,700 fiscal-year-equated students for 1981-82, approximately the same number enrolled in 1980-81.

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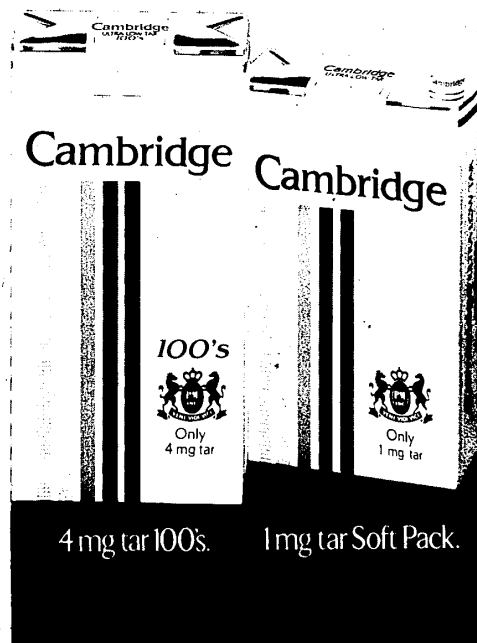
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