**Excused—4**

Faust Faxon Holmes Smith

**Not Voting—0**

The bill was passed, a majority of the Senators serving having voted therefor.

Senator Geake offered to amend the title to read as follows:

A bill to provide for a tax upon the sale and distribution of tobacco products; to regulate and license manufacturers, wholesalers, secondary wholesalers, vending machine operators, unclassified acquirers, transportation companies, transporters, and retailers of tobacco products; to prescribe the powers and duties of the revenue division and the department of treasury in regard to tobacco products; to provide for the collection and disposition of the tax; to provide for the enforcement of this act; to provide for the appointment of special investigators as peace officers for the enforcement of this act; to prescribe penalties and provide remedies for the violation of this act; and to repeal certain acts and parts of acts on a specific date.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

The following bill was read a third time:

**House Bill No. 5103, entitled**

A bill to amend sections 3, 3a, 4, 4f, 6, and 21 of Act No. 94 of the Public Acts of 1937, entitled as amended "Use tax act," section 3 as amended by Act No. 86 of the Public Acts of 1990, section 4 as amended by Act No. 141 of the Public Acts of 1989, sections 4f and 6 as amended by Act No. 17 of the Public Acts of 1993, and section 21 as amended by Act No. 260 of the Public Acts of 1987, being sections 205.93, 205.93a, 205.94, 205.94f, 205.96, and 205.111 of the Michigan Compiled Laws; and to add section 4e.

The question being on the passage of the bill,

Senator Bouchard offered the following substitute:

(Substitute (S-3) in bill form.)

The substitute was seconded.

The question being on the adoption of the substitute,

Senator Bouchard offered the following amendments to the substitute:

1. Amend page 1, line 1, by striking out all of enacting section 1 and inserting:

"Section 1. Sections 3, 3a, 4f, 6, and 21 of Act No. 94 of the Public Acts of 1937, section 3 as amended by Act No. 86 of the Public Acts of 1990, sections 4f and 6 as amended by Act No. 17 of the Public Acts of 1993, and section 21 as amended by Act No. 260 of the Public Acts of 1987, being sections 205.93, 205.93a, 205.94f, 205.96, and 205.111 of the Michigan Compiled Laws, are amended and section 4e is added to read as follows:".

2. Amend page 4, following line 8, by inserting:

"Sec. 3a. The use or consumption of the following services ~~shall be~~ IS taxed under this act in the same manner as tangible personal property is taxed under this act:

(a) Intrastate telephone, telegraph, leased wire, and other similar communications, including local telephone exchange and long distance telephone service ~~which~~ THAT both originates and terminates in Michigan, and telegraph, private line, and teletypewriter service between places in Michigan, but excluding telephone service by coin-operated installations, switchboards, concentrator-identifiers, interoffice circuitry and their accessories for telephone answering service, and directory advertising proceeds.

(b) Rooms or lodging furnished by hotelkeepers, motel operators, and other persons furnishing accommodations that are available to the public , on the basis of a commercial and business enterprise, irrespective of whether or not membership is required for use of the accommodations, except rooms and lodging rented for a continuous period of more than 1 month. As used in this act, "hotel" or "motel" means a building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, nudist camps, apartment hotels, resort lodges and cabins, camps operated by other than nonprofit organizations but not including those licensed under Act No. 47 of the ~~First Extra Session of 1944, as amended, being sections 722.101 to 722.108~~ ACT NO. 116 OF THE PUBLIC ACTS OF 1973, BEING SECTIONS 722.111 TO 722.128 of the MICHIGAN Compiled Laws, ~~of 1948,~~ and any other building or group of buildings in which accommodations are available to the public, except accommodations rented for a continuous period of more than 1 month and accommodations furnished by hospitals or nursing homes.

(C) INTERSTATE TELEPHONE COMMUNICATIONS THAT EITHER ORIGINATE OR TERMINATE IN THIS STATE AND FOR WHICH THE CHARGE FOR THE SERVICE IS BILLED TO A MICHIGAN ADDRESS BY THE



PROVIDER EITHER WITHIN OR OUTSIDE THIS STATE. THIS SUBDIVISION DOES NOT APPLY TO A WIDE AREA TELECOMMUNICATION SERVICE OR A SIMILAR TYPE SERVICE, AN 800 PREFIX SERVICE OR SIMILAR TYPE SERVICE, AN INTERSTATE PRIVATE NETWORK AND RELATED USAGE CHARGES, OR AN INTERNATIONAL CALL EITHER INBOUND OR OUTBOUND.".

The amendments to the substitute were adopted.

Senator Emmons offered the following amendment to the substitute:

1. Amend page 4, line 25, after "MODIFICATION" by inserting "NOT TO EXCEED 15%".

The amendment to the substitute was adopted.

The substitute, as amended, was adopted, a majority of the Senators serving having voted therefor.

The question being on the passage of the bill, the Senators voted as follows:

**Roll Call No. 918**

**Yeas—22**

Arthurhultz, Bouchard, Carl, Cisky, DeGrow, Dillingham, DiNello, Dunaskiss, Ehlers, Emmons, Gast, Geake, Gougeon, Hoffman, Honigman, McManus, Posthumus, Pridnia, Schwarz, Van Regenmorter, Wartner, Welborn

**Nays—12**

Berryman, Cherry, Conroy, Dingell, Hart, Kelly, Koivisto, Miller, O'Brien, Pollack, Stabenow, Vaughn

**Excused—4**

Faust Faxon Holmes Smith

**Not Voting—0**

The bill was passed, a majority of the Senators serving having voted therefor.

Senator Bouchard offered to amend the title to read as follows:

A bill to amend sections 3, 3a, 4f, 6, and 21 of Act No. 94 of the Public Acts of 1937, entitled as amended "An a to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in th state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalti for violations of the provisions of this act," section 3 as amended by Act No. 86 of the Public Acts of 1990, secti 4f and 6 as amended by Act No. 17 of the Public Acts of 1993, and section 21 as amended by Act No. 260 of the Pub Acts of 1987, being sections 205.93, 205.93a, 205.94f, 205.96, and 205.111 of the Michigan Compiled Laws; and add section 4e.

The amendment to the title was adopted.

The Senate agreed to the title as amended.

The following bill was read a third time:

**House Bill No. 5102, entitled**

A bill to amend sections 1, 2, 4, 4a, 6, 6a, 15, 23, and 25 of Act No. 167 of the Public Acts of 1933, entitled amended "General sales tax act," section 1 as amended by Act No. 259 of the Public Acts of 1987, section amended by Act No. 228 of the Public Acts of 1984, sections 4 and 6 as amended by Act No. 18 of the Public Acts 1993, section 4a as amended by Act No. 87 of the Public Acts of 1991, section 6a as amended by Act No. 23 of Public Acts of 1985, and section 25 as amended by Act No. 70 of the Public Acts of 1991, being sections 205 205.52, 205.54, 205.56, 205.56a, 205.65, 205.73, and 205.75 of the Michigan Compiled Laws; and to add section

Matt Hanley