



# SENATE BILL No. 1165

May 24, 1994, Introduced by Senator KELLY and referred  
to the Committee on Finance

A bill to impose a tax on certain telephone services and to  
provide for the collection and disbursement of funds

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1       Sec 1    As used in this act

2       (a) "Calling party" means the person originating the call to  
3 the information provider

4       (b) "Commissioner" means the state commissioner of revenue  
5 appointed pursuant to Act No 122 of the Public Acts of 1941,  
6 being sections 205 1 to 205 31 of the Michigan Compiled Laws

7       (c) "Department" means the revenue division of the depart-  
8 ment of treasury

9       (d) "Information provider" means the person being called by  
10 the calling party, and who provides 900 information or services  
11 to the calling party on a per call or per time basis

1 (e) "900 service" means information or services provided  
2 through a telephone exchange, commonly accessed by dialing an  
3 11-digit number that begins with 1-900, 1-960, 1-976, or other  
4 similar prefix in which the calling party receives information or  
5 services from the information provider and is charged on a per  
6 call or per time basis for the information or service 900 serv-  
7 ice does not include services provided through 1-800 service  
8 telephone numbers, information provided free of charge, or direc-  
9 tory assistance service

10 (f) "Person" means an individual, partnership, association,  
11 limited liability company, corporation, governmental entity, or  
12 other legal entity

13 Sec 2 (1) A tax of 50 cents is imposed for each telephone  
14 call placed to a 900 service if the telephone call for that serv-  
15 ice originates from a telephone located in this state

16 (2) The tax imposed by this section is levied on the calling  
17 party The tax shall be collected by the person contracting with  
18 the information provider to connect the information provider with  
19 the calling party

20 (3) Information services provided through a 1-976 prefix are  
21 exempt from the tax imposed under this section if the charge for  
22 the call is less than \$1 00

23 Sec 3 The 900 services fund is created as a separate fund  
24 in the department of treasury All money received and collected  
25 under this act shall be deposited by the department in the state  
26 treasury to the credit of the 900 services fund and expended to  
27 support public libraries for distribution on a per capita basis

1       Sec 4    The tax imposed by this act shall be administered  
2 by the commissioner pursuant to Act No 122 of the Public Acts of  
3 1941, being sections 205 1 to 205 31 of the Michigan Compiled  
4 Laws, and this act