

HOUSE BILL No. 4208

February 13, 2001, Introduced by Reps. Vear, Raczkowski and Gosselin and referred to the Committee on Tax Policy.

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending section 3a (MCL 205.93a), as amended by 1998 PA 366.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3a. The use or consumption of the following services
2 is taxed under this act in the same manner as tangible personal
3 property is taxed under this act:

4 (a) Intrastate telephone, telegraph, leased wire, and other
5 similar communications, including local telephone exchange and
6 long distance telephone service that both originates and termi-
7 nates in Michigan, and telegraph, private line, and teletype-
8 writer service between places in Michigan, but excluding tele-
9 phone service by coin-operated installations, switchboards,
10 concentrator-identifiers, interoffice circuitry and their

1 accessories for telephone answering service, and directory
2 advertising proceeds.

3 (b) Rooms or lodging furnished by hotelkeepers, motel opera-
4 tors, and other persons furnishing accommodations that are avail-
5 able to the public on the basis of a commercial and business
6 enterprise, irrespective of whether or not membership is required
7 for use of the accommodations, except rooms and lodging rented
8 for a continuous period of more than 1 month. As used in this
9 act, "hotel" or "motel" means a building or group of buildings in
10 which the public may obtain accommodations for a consideration,
11 including, without limitation, such establishments as inns,
12 motels, tourist homes, tourist houses or courts, lodging houses,
13 rooming houses, nudist camps, apartment hotels, resort lodges and
14 cabins, camps operated by other than nonprofit organizations but
15 not including those licensed under 1973 PA 116, MCL 722.111 to
16 722.128, and any other building or group of buildings in which
17 accommodations are available to the public, except accommodations
18 rented for a continuous period of more than 1 month and accommo-
19 dations furnished by hospitals or nursing homes.

20 (c) Interstate telephone communications that either origi-
21 nate or terminate in this state and for which the charge for the
22 service is billed to a Michigan service address or phone number
23 by the provider either within or outside this state including
24 calls between this state and any place within or without the
25 United States of America outside of this state. However, if the
26 tax under this act is levied at a rate of 6%, this subdivision
27 does not apply to a wide area telecommunication service or a

1 similar type service, an 800 prefix service or similar type
2 service, an interstate private network and related usage charges,
3 or an international call either inbound or outbound.

4 (d) After December 31, 1998, the laundering or cleaning of
5 textiles under a sale, rental, or service agreement with a term
6 of at least 5 days. This subdivision does not apply to the laun-
7 dering or cleaning of textiles used by a restaurant, ~~or~~ A
8 retail sales business, OR A PERSON IN THE BUSINESS OF PROVIDING
9 DENTAL SERVICES. As used in this subdivision, "restaurant" means
10 a food service establishment defined and licensed under the
11 ~~public health code, 1978 PA 368, MCL 333.1101 to 333.25211~~ FOOD
12 LAW OF 2000, 2000 PA 92, MCL 289.1101 TO 289.8111.