



HOUSE OF REPRESENTATIVES

COMMITTEE ON TAX POLICY

REP. CYNTHIA NEELEY

CHAIR

COMMITTEE MEETING MINUTES

Wednesday, March 15, 2023

12:00 PM

Room 521, House Office Building

The House Committee on Tax Policy was called to order by Chair Neeley.

The Chair requested attendance be called:

Present: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, Price, VanWoerkom, Outman, Tisdell, Hoadley.

Absent: Rep. Markkanen.

Excused: Rep. Markkanen.

Representative Farhat moved to adopt the meeting minutes from March 8, 2023. There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 4039, HB 4054, HB 4055, HB 4137 and HB 4253 before the committee:

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|---------------------------|---|
| HB 4039 (Rep. Outman) | A bill to amend 1933 PA 167, entitled "General sales tax act," by amending sections 1 and 25 (MCL 205.51 and 205.75), section 1 as amended by 2018 PA 2 and section 25 as amended by 2021 PA 108. |
| HB 4054 (Rep. VanWoerkom) | A bill to amend 1933 PA 167, entitled "General sales tax act," by amending section 4t (MCL 205.54t), as amended by 2015 PA 205. |
| HB 4055 (Rep. Thompson) | A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 4o (MCL 205.94o), as amended by 2015 PA 204. |
| HB 4137 (Rep. VanWoerkom) | A bill to amend 1979 PA 72, entitled "An act to require the governor to report certain tax information with the annual budget message to the legislature," by amending section 6 (MCL |

21.276), as amended by 1983 PA 7.

HB 4253 (Rep. Coleman)

A bill to amend 1937 PA 94, entitled "Use tax act," by amending sections 2 and 21 (MCL 205.92 and 205.111), section 2 as amended by 2018 PA 1 and section 21 as amended by 2021 PA 109.

Representative Outman and Representative Coleman testified in support of HB 4039, HB 4137 and HB 4253.

Leah Robinson, Jamie Larson, Nate Henschel, and Dave Echelbarger representing the Michigan Chamber of Commerce, and the Grand Rapids Chamber of Commerce, testified in support of HB 4039, HB 4137 and HB 4253. Questions and discussion followed.

Rob Mass, representing the Michigan Department of Treasury, testified with a neutral position on HB 4039, HB 4137 and HB 4253. Questions and discussion followed.

The following people submitted a card in support of HB 4039 and HB 4253, but did not wish to speak:

Karen E. Johnston, representing Toyota Motor North America.

Brian Calley, representing the Small Business Association of Michigan.

Amanda Fisher, representing the National Federation of Independent Business.

Michigan Association of Certified Public Accountant's.

Amy Drumm, representing the Michigan Retailers Association.

The committee discussed HB's 4039, 4137, and 4253.

Representative Outman moved to adopt substitute (H-1) to HB 4039. The motion prevailed 10-1-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: Rep. Price.

Pass: None.

Representative VanWoerkom moved to adopt substitute (H-1) to HB 4137. The motion prevailed 10-1-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: Rep. Price.

Pass: None.

Representative Farhat moved to report out HB 4039 with recommendation, as substitute (H-1). The motion prevailed 8-3-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Whitsett, Grant, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: Reps. Brixie, Brenda Carter, Price.

Pass: None.

Representative VanWoerkom moved to report out HB 4137 with recommendation, as substitute (H-1). The motion prevailed 8-3-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Whitsett, Grant, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: Reps. Brixie, Brenda Carter, Price.

Pass: None.

Representative Outman moved to adopt substitute (H-1) to HB 4253. The motion prevailed 11-0-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, Price, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: None.

Pass: None.

Representative Outman moved to report out HB 4253 with recommendation, as substitute (H-1). The motion prevailed 9-2-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdell, Hoadley.

Nays: Reps. Brixie, Price.

Pass: None.

Representative VanWoerkom, Representative Thompson, and Lynn Ghandi, representing the Michigan Aggregates Association, testified in support of HB 4054 and HB 4055. Questions and discussion followed.

Jennifer Smith, representing the Michigan Association of School Boards, testified in opposition to HB 4054 and HB 4055.

Rob Mass, representing the Michigan Department of Treasury, testified with a neutral position on HB 4054 and HB 4055. Questions and discussion followed.

The following person submitted a card in support of HB 4054 and HB 4055, but did not wish to speak:

Leah Robinson, representing the Michigan Chamber of Commerce.

The following person submitted a card in opposition to HB 4054 and HB 4055, but did not wish to speak:

Matt Schueller, representing the Michigan Association of Superintendents and Administrators.

At 12:54 PM, the Chair laid the committee at ease.

At 1:07 PM, the Chair called the committee back to order.

Representative VanWoerkom moved to adopt substitute (H-1) to HB 4054. The motion prevailed 11-0-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, Price, VanWoerkom, Outman, Tisdel, Hoadley.

Nays: None.

Pass: None.

Representative VanWoerkom moved to report out HB 4054 with recommendation, as substitute (H-1). The motion prevailed 9-1-1:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdel, Hoadley.

Nays: Rep. Price.

Pass: Rep. Brixie.

Representative VanWoerkom moved to adopt substitute (H-1) to HB 4055. The motion prevailed 10-1-0:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brixie, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdel, Hoadley.

Nays: Rep. Price.

Pass: None.

Representative VanWoerkom moved to report out HB 4055 with recommendation, as substitute (H-1). The motion prevailed 9-1-1:

FAVORABLE ROLL CALL

Yeas: Reps. Neeley, Farhat, Brenda Carter, Whitsett, Grant, VanWoerkom, Outman, Tisdel, Hoadley.

Nays: Rep. Price.

Pass: Rep. Brixie.

The following people submitted a card in support of HB 4039, HB 4054, HB 4055, HB 4137 and HB 4253, but did not wish to speak:

Doug Needham, representing the Michigan Aggregates Association.

Brian Shoaf, representing the Detroit Regional Chamber of Commerce.

Derek Bajema, representing the Michigan Soft Drink Association.

Representative VanWoerkom moved to excuse Representative Markkanen from the meeting. There being no objection the motion prevailed by unanimous consent.

There being no further business before the committee, Chair Neeley adjourned the meeting at 1:10 PM.

Representative Cynthia Neeley, Chair

Edward Sleeper
Committee Clerk
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