

**SUBSTITUTE FOR
HOUSE BILL NO. 5107**

A bill to amend 1937 PA 94, entitled
"Use tax act,"
by amending sections 3a and 4 (MCL 205.93a and 205.94), as amended
by 2004 PA 172, and by adding section 5a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

4 (a) Except as provided in section 3b, intrastate telephone,
5 telegraph, leased wire, and other similar communications, including
6 local telephone exchange and long distance telephone service that
7 both originates and terminates in Michigan, and telegraph, private
8 line, and teletypewriter service between places in Michigan, but

1 excluding telephone service by coin-operated installations,
2 switchboards, concentrator-identifiers, interoffice circuitry and
3 their accessories for telephone answering service, and directory
4 advertising proceeds.

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

22 (c) Except as provided in section 3b, interstate telephone
23 communications that either originate or terminate in this state and
24 for which the charge for the service is billed to a Michigan
25 service address or phone number by the provider either within or
26 outside this state, including calls between this state and any
27 place within or without the United States of America outside of

1 this state. ~~However, if the tax under this act is levied at a rate~~
2 ~~of 6% THIS SUBDIVISION DOES NOT APPLY TO AN 800 PREFIX SERVICE OR~~
3 ~~SIMILAR TYPE SERVICE. BEFORE OCTOBER 1, 2005, this subdivision does~~
4 not apply to a wide area telecommunication service or a similar
5 type service, ~~an 800 prefix service or similar type service,~~ an
6 interstate private network and related usage charges, or an
7 international call either inbound or outbound. **BEGINNING OCTOBER 1,**
8 **2005, A WIDE AREA TELECOMMUNICATION SERVICE OR A SIMILAR TYPE**
9 **SERVICE, AN INTERSTATE PRIVATE NETWORK AND RELATED USAGE CHARGES,**
10 **OR AN INTERNATIONAL CALL EITHER INBOUND OR OUTBOUND IS TAXED UNDER**
11 **THIS ACT IN THE SAME MANNER AS INTERSTATE TELEPHONE COMMUNICATIONS.**

12 (d) The laundering or cleaning of textiles under a sale,
13 rental, or service agreement with a term of at least 5 days. This
14 subdivision does not apply to the laundering or cleaning of
15 textiles used by a restaurant or retail sales business. As used in
16 this subdivision, "restaurant" means a food service establishment
17 defined and licensed under the food law of 2000, 2000 PA 92, MCL
18 289.1101 to 289.8111.

19 (e) The transmission and distribution of electricity, whether
20 the electricity is purchased from the delivering utility or from
21 another provider, if the sale is made to the consumer or user of
22 the electricity for consumption or use rather than for resale.

23 (f) For a manufacturer who affixes its product to real estate
24 and maintains an inventory of its product that is available for
25 sale to others by publication or price list, the direct production
26 costs and indirect production costs of the product affixed to the
27 real estate that are incident to and necessary for production or

1 manufacturing operations or processes, as defined by the
2 department.

3 (g) For a manufacturer who affixes its product to real estate
4 but does not maintain an inventory of its product available for
5 sale to others or make its product available for sale to others by
6 publication or price list, the sum of the materials cost of the
7 property and the cost of labor to manufacture, fabricate, or
8 assemble the property, but ~~does~~ not ~~include~~ the cost of labor
9 to cut, bend, assemble, or attach the property at the site for
10 affixation to real estate.

11 (2) If charges for intrastate telecommunications services or
12 telecommunications services between this state and another state
13 and other billed services not subject to the tax under this act are
14 aggregated with and not separately stated from charges for
15 telecommunications services that are subject to the tax under this
16 act, the nontaxable telecommunications services and other
17 nontaxable billed services are subject to the tax under this act
18 unless the service provider can reasonably identify charges for
19 telecommunications services not subject to the tax under this act
20 from its books and records that are kept in the regular course of
21 business.

22 (3) If charges for intrastate telecommunications services or
23 telecommunications services between this state and another state
24 and other billed services not subject to the tax under this act are
25 aggregated with and not separately stated from telecommunications
26 services that are subject to the tax under this act, a customer may
27 not rely upon the nontaxability of those telecommunications

1 services and other billed services unless the customer's service
 2 provider separately states the charges for nontaxable
 3 telecommunications services and other nontaxable billed services
 4 from taxable telecommunications services or the service provider
 5 elects, after receiving a written request from the customer in the
 6 form required by the provider, to provide verifiable data based
 7 upon the service provider's books and records that are kept in the
 8 regular course of business that reasonably identify the nontaxable
 9 services.

10 (4) As used in this section:

11 (a) "Fabricate" means to modify or prepare tangible personal
 12 property for affixation or assembly.

13 (b) "Manufacture" means to convert or condition tangible
 14 personal property by changing the form, composition, quality,
 15 combination, or character of the property.

16 (c) "Manufacturer" means a person who manufactures,
 17 fabricates, or assembles tangible personal property.

18 Sec. 4. (1) The following are exempt from the tax levied under
 19 this act, subject to subsection (2):

20 (a) Property sold in this state on which ~~transaction a tax is~~
 21 ~~paid~~ **THE TRANSACTION WAS SUBJECT TO TAX** under the general sales
 22 tax act, 1933 PA 167, MCL 205.51 to 205.78. ~~—, if the tax was due~~
 23 ~~and paid on the retail sale to a consumer.~~

24 (b) Property, the storage, use, or other consumption of which
 25 this state is prohibited from taxing under the constitution or laws
 26 of the United States, or under the constitution of this state.

27 (c) Property purchased for resale, demonstration purposes, or,

1 **BEFORE OCTOBER 1, 2005,** lending or leasing to a public or parochial
2 school offering a course in automobile driving except that a
3 vehicle purchased by the school shall be certified for driving
4 education and shall not be reassigned for personal use by the
5 school's administrative personnel. **AFTER SEPTEMBER 30, 2005, A**
6 **VEHICLE PURCHASED FOR LENDING OR LEASING TO A PUBLIC OR PAROCHIAL**
7 **SCHOOL OFFERING A COURSE IN AUTOMOBILE DRIVING SHALL BE SUBJECT TO**
8 **THE TAX LEVIED UNDER THIS ACT.** For a dealer selling a new car or
9 truck, exemption for demonstration purposes shall be determined by
10 the number of new cars and trucks sold during the current calendar
11 year or the immediately preceding year without regard to specific
12 make or style according to the following schedule of 0 to 25, 2
13 units; 26 to 100, 7 units; 101 to 500, 20 units; 501 or more, 25
14 units; but not to exceed 25 cars and trucks in 1 calendar year for
15 demonstration purposes. Property purchased for resale includes
16 promotional merchandise transferred pursuant to a redemption offer
17 to a person located outside this state or any packaging material,
18 other than promotional merchandise, acquired for use in fulfilling
19 a redemption offer or rebate to a person located outside this
20 state.

21 (d) Property that is brought into this state by a nonresident
22 person for storage, use, or consumption while temporarily within
23 this state, except if the property is used in this state in a
24 nontransitory business activity for a period exceeding 15 days.

25 (e) Property the sale or use of which was already subjected to
26 a sales tax or use tax equal to, or in excess of, that imposed by
27 this act under the law of any other state or a local governmental

1 unit within a state if the tax was due and paid on the retail sale
2 to the consumer and the state or local governmental unit within a
3 state in which the tax was imposed accords like or complete
4 exemption on property the sale or use of which was subjected to the
5 sales or use tax of this state. If the sale or use of property was
6 already subjected to a tax under the law of any other state or
7 local governmental unit within a state in an amount less than the
8 tax imposed by this act, this act shall apply, but at a rate
9 measured by the difference between the rate provided in this act
10 and the rate by which the previous tax was computed.

11 (f) Property sold to a person engaged in a business enterprise
12 and using and consuming the property in the tilling, planting,
13 caring for, or harvesting of the things of the soil or in the
14 breeding, raising, or caring for livestock, poultry, or
15 horticultural products, including transfers of livestock, poultry,
16 or horticultural products for further growth. This exemption
17 includes agricultural land tile, which means fired clay or
18 perforated plastic tubing used as part of a subsurface drainage
19 system for land used in the production of agricultural products as
20 a business enterprise and includes a portable grain bin, which
21 means a structure that is used or is to be used to shelter grain
22 and that is designed to be disassembled without significant damage
23 to its component parts. This exemption does not include transfers
24 of food, fuel, clothing, or similar tangible personal property for
25 personal living or human consumption. This exemption does not
26 include tangible personal property permanently affixed to and
27 becoming a structural part of real estate.

1 (g) Property or services sold to the United States, an
2 unincorporated agency or instrumentality of the United States, an
3 incorporated agency or instrumentality of the United States wholly
4 owned by the United States or by a corporation wholly owned by the
5 United States, the American red cross and its chapters or branches,
6 this state, a department or institution of this state, or a
7 political subdivision of this state.

8 (h) Property or services sold to a school, hospital, or home
9 for the care and maintenance of children or aged persons, operated
10 by an entity of government, a regularly organized church,
11 religious, or fraternal organization, a veterans' organization, or
12 a corporation incorporated under the laws of this state, if not
13 operated for profit, and if the income or benefit from the
14 operation does not inure, in whole or in part, to an individual or
15 private shareholder, directly or indirectly, and if the activities
16 of the entity or agency are carried on exclusively for the benefit
17 of the public at large and are not limited to the advantage,
18 interests, and benefits of its members or a restricted group. The
19 tax levied does not apply to property or services sold to a parent
20 cooperative preschool. As used in this subdivision, "parent
21 cooperative preschool" means a nonprofit, nondiscriminatory
22 educational institution, maintained as a community service and
23 administered by parents of children currently enrolled in the
24 preschool that provides an educational and developmental program
25 for children younger than compulsory school age, that provides an
26 educational program for parents, including active participation
27 with children in preschool activities, that is directed by

1 qualified preschool personnel, and that is licensed ~~by the~~
2 ~~department of consumer and industry services~~ pursuant to 1973 PA
3 116, MCL 722.111 to 722.128.

4 (i) Property or services sold to a regularly organized church
5 or house of religious worship except the following:

6 (i) Sales in which the property is used in activities that are
7 mainly commercial enterprises.

8 (ii) Sales of vehicles licensed for use on the public highways
9 other than a passenger van or bus with a manufacturer's rated
10 seating capacity of 10 or more that is used primarily for the
11 transportation of persons for religious purposes.

12 (j) A vessel designed for commercial use of registered tonnage
13 of 500 tons or more, if produced upon special order of the
14 purchaser, and bunker and galley fuel, provisions, supplies,
15 maintenance, and repairs for the exclusive use of a vessel of 500
16 tons or more engaged in interstate commerce.

17 (k) Property purchased for use in this state where actual
18 personal possession is obtained outside this state, the purchase
19 price or actual value of which does not exceed \$10.00 during 1
20 calendar month.

21 (l) A newspaper or periodical classified under federal postal
22 laws and regulations effective September 1, 1985 as second-class
23 mail matter or as a controlled circulation publication or qualified
24 to accept legal notices for publication in this state, as defined
25 by law, or any other newspaper or periodical of general
26 circulation, established at least 2 years, and published at least
27 once a week, and a copyrighted motion picture film. Tangible

1 personal property used or consumed in producing a copyrighted
2 motion picture film, a newspaper published more than 14 times per
3 year, or a periodical published more than 14 times per year, and
4 not becoming a component part of that film, newspaper, or
5 periodical is subject to the tax. After December 31, 1993, tangible
6 personal property used or consumed in producing a newspaper
7 published 14 times or less per year or a periodical published 14
8 times or less per year and that portion or percentage of tangible
9 personal property used or consumed in producing an advertising
10 supplement that becomes a component part of a newspaper or
11 periodical is exempt from the tax under this subdivision. A claim
12 for a refund for taxes paid before January 1, 1999 under this
13 subdivision shall be made before June 30, 1999. For purposes of
14 this subdivision, tangible personal property that becomes a
15 component part of a newspaper or periodical and consequently not
16 subject to tax, includes an advertising supplement inserted into
17 and circulated with a newspaper or periodical that is otherwise
18 exempt from tax under this subdivision, if the advertising
19 supplement is delivered directly to the newspaper or periodical by
20 a person other than the advertiser, or the advertising supplement
21 is printed by the newspaper or periodical.

22 (m) Property purchased by persons licensed to operate a
23 commercial radio or television station if the property is used in
24 the origination or integration of the various sources of program
25 material for commercial radio or television transmission. This
26 subdivision does not include a vehicle licensed and titled for use
27 on public highways or property used in the transmitting to or

1 receiving from an artificial satellite.

2 (n) A person who is a resident of this state who purchases an
3 automobile in another state while in the military service of the
4 United States and who pays a sales tax in the state where the
5 automobile is purchased.

6 (o) A vehicle for which a special registration is secured in
7 accordance with section 226(12) of the Michigan vehicle code, 1949
8 PA 300, MCL 257.226.

9 (p) The sale of a prosthetic device, durable medical
10 equipment, or mobility enhancing equipment.

11 (q) Water when delivered through water mains, water sold in
12 bulk tanks in quantities of not less than 500 gallons, or the sale
13 of bottled water.

14 (r) A vehicle not for resale used by a nonprofit corporation
15 organized exclusively to provide a community with ambulance or fire
16 department services.

17 (s) Tangible personal property purchased and installed as a
18 component part of a water pollution control facility for which a
19 tax exemption certificate is issued pursuant to part 37 of the
20 natural resources and environmental protection act, 1994 PA 451,
21 MCL 324.3701 to 324.3708, or an air pollution control facility for
22 which a tax exemption certificate is issued pursuant to part 59 of
23 the natural resources and environmental protection act, 1994 PA
24 451, MCL 324.5901 to 324.5908.

25 (t) Tangible real or personal property donated by a
26 manufacturer, wholesaler, or retailer to an organization or entity
27 exempt pursuant to subdivision (h) or (i) or section 4a(a) or (b)

1 of the general sales tax act, 1933 PA 167, MCL 205.54a.

2 (u) The storage, use, or consumption of an aircraft by a
3 domestic air carrier for use solely in the transport of air cargo,
4 passengers, or a combination of air cargo and passengers, that has
5 a maximum certificated takeoff weight of at least 6,000 pounds. For
6 purposes of this subdivision, the term "domestic air carrier" is
7 limited to a person engaged primarily in the commercial transport
8 for hire of air cargo, passengers, or a combination of air cargo
9 and passengers as a business activity. The state treasurer shall
10 estimate on January 1 each year the revenue lost by this act from
11 the school aid fund and deposit that amount into the school aid
12 fund from the general fund.

13 (v) The storage, use, or consumption of an aircraft by a
14 person who purchases the aircraft for subsequent lease to a
15 domestic air carrier operating under a certificate issued by the
16 federal aviation administration under 14 CFR part 121, for use
17 solely in the regularly scheduled transport of passengers.

18 (w) Property or services sold to an organization not operated
19 for profit and exempt from federal income tax under section
20 501(c)(3) or 501(c)(4) of the internal revenue code, 26 USC 501; or
21 to a health, welfare, educational, cultural arts, charitable, or
22 benevolent organization not operated for profit that has been
23 issued before June 13, 1994 an exemption ruling letter to purchase
24 items exempt from tax signed by the administrator of the sales,
25 use, and withholding taxes division of the department. The
26 department shall reissue an exemption letter after June 13, 1994 to
27 each of those organizations that had an exemption letter that shall

1 remain in effect unless the organization fails to meet the
2 requirements that originally entitled it to this exemption. The
3 exemption does not apply to sales of tangible personal property and
4 sales of vehicles licensed for use on public highways, that are not
5 used primarily to carry out the purposes of the organization as
6 stated in the bylaws or articles of incorporation of the exempt
7 organization.

8 (x) The use or consumption of services described in section
9 3a(a) or (c) or 3b by means of a prepaid telephone calling card, a
10 prepaid authorization number for telephone use, or a charge for
11 internet access.

12 (y) The purchase, lease, use, or consumption of the following
13 by an industrial laundry after December 31, 1997:

14 (i) Textiles and disposable products including, but not limited
15 to, soap, paper, chemicals, tissues, deodorizers and dispensers,
16 and all related items such as packaging, supplies, hangers, name
17 tags, and identification tags.

18 (ii) Equipment, whether owned or leased, used to repair and
19 dispense textiles including, but not limited to, roll towel
20 cabinets, slings, hardware, lockers, mop handles and frames, and
21 carts.

22 (iii) Machinery, equipment, parts, lubricants, and repair
23 services used to clean, process, and package textiles and related
24 items, whether owned or leased.

25 (iv) Utilities such as electric, gas, water, or oil.

26 (v) Production washroom equipment and mending and packaging
27 supplies and equipment.

(vi) Material handling equipment including, but not limited to, conveyors, racks, and elevators and related control equipment.

(vii) Wastewater pretreatment equipment and supplies and related maintenance and repair services.

(2) The property or services under subsection (1) are exempt only to the extent that the property or services are used for the exempt purposes if one is stated in subsection (1). The exemption is limited to the percentage of exempt use to total use determined by a reasonable formula or method approved by the department.

SEC. 5A. (1) AN OUT-OF-STATE SELLER IS SUBJECT TO THE TAX LEVIED UNDER THIS ACT IF THE OUT-OF-STATE SELLER ENGAGES IN ANY OF THE FOLLOWING ACTIVITIES:

(A) THE OUT-OF-STATE SELLER HAS 1 OR MORE EMPLOYEES RESIDING IN OR TEMPORARILY PRESENT IN THIS STATE ENGAGING IN ANY ACTIVITY OTHER THAN THOSE DESCRIBED IN SUBSECTION (2). AN EMPLOYEE TEMPORARILY PRESENT IN THIS STATE FOR 2 OR MORE DAYS WILL CREATE NEXUS AND LIABILITY FOR THE TAX LEVIED UNDER THIS ACT.

(B) THE OUT-OF-STATE SELLER OWNS, RENTS, LEASES, MAINTAINS, OR HAS THE RIGHT TO USE AND DOES USE TANGIBLE PERSONAL PROPERTY OR REAL PROPERTY THAT IS PERMANENTLY OR TEMPORARILY PHYSICALLY LOCATED IN THIS STATE.

(C) THE OUT-OF-STATE SELLER'S EMPLOYEES OWN, RENT, LEASE, USE, OR MAINTAIN AN OFFICE OR OTHER PLACE OF BUSINESS IN THIS STATE.

(D) THE OUT-OF-STATE SELLER HAS GOODS DELIVERED TO THIS STATE IN VEHICLES THE OUT-OF-STATE SELLER OWNS, RENTS, LEASES, USES, OR MAINTAINS OR HAS GOODS DELIVERED TO THIS STATE BY A RELATED PARTY ACTING AS A REPRESENTATIVE OF THE OUT-OF-STATE SELLER.

1 (E) THE OUT-OF-STATE SELLER'S AGENTS, REPRESENTATIVES,
2 INDEPENDENT CONTRACTORS, OR BROKERS, OR OTHERS ACTING ON THE OUT-
3 OF-STATE SELLER'S BEHALF, OWN, RENT, LEASE, USE, OR MAINTAIN AN
4 OFFICE OR OTHER PLACE OF BUSINESS IN THIS STATE, WHICH IS USED IN
5 THE REPRESENTATION OF THE OUT-OF-STATE SELLER IN THIS STATE.

6 (F) THE OUT-OF-STATE SELLER'S AGENTS, REPRESENTATIVES,
7 INDEPENDENT CONTRACTORS, OR BROKERS, OR OTHERS ACTING ON BEHALF OF
8 THE OUT-OF-STATE SELLER, ARE REGULARLY AND SYSTEMATICALLY PRESENT
9 IN THIS STATE AND CONDUCT ACTIVITIES TO ESTABLISH OR MAINTAIN THE
10 MARKET FOR THE OUT-OF-STATE SELLER WHETHER OR NOT THESE INDIVIDUALS
11 OR ORGANIZATIONS RESIDE IN THIS STATE.

12 (2) NEXUS IS NOT PRESUMED IF THE OUT-OF-STATE SELLER'S ONLY
13 CONTACTS WITH THIS STATE ARE LIMITED TO 1 OR MORE OF THE FOLLOWING
14 CONTACTS:

15 (A) MEETING WITH SUPPLIERS OF GOODS OR SERVICES LOCATED IN
16 THIS STATE.

17 (B) MEETING WITH GOVERNMENT REPRESENTATIVES IN THEIR OFFICIAL
18 CAPACITY IN THIS STATE.

19 (C) ATTENDING OCCASIONAL MEETINGS IN THIS STATE, INCLUDING,
20 BUT NOT LIMITED TO, BOARD MEETINGS, RETREATS, SEMINARS, AND
21 CONFERENCES SPONSORED BY OTHERS.

22 (D) ATTENDING SCHOOLS, TRAINING EVENTS, OR OTHER ACTIVITIES
23 SPONSORED BY OTHERS.

24 (E) HOLDING RECRUITING OR HIRING EVENTS.

25 (F) ADVERTISING IN THIS STATE THROUGH VARIOUS FORMS OF MEDIA.

26 (G) RENTING CUSTOMER LISTS TO OR FROM AN ENTITY LOCATED IN
27 THIS STATE.

1 (H) ATTENDING A TRADE SHOW AT WHICH NO ORDERS FOR GOODS ARE
2 TAKEN AND NO SALES ARE MADE.

3 (I) PARTICIPATING IN A TRADE SHOW FOR LESS THAN 10 DAYS IN ANY
4 12-MONTH PERIOD, AT WHICH NO ORDERS FOR GOODS ARE TAKEN AND NO
5 SALES ARE MADE.

6 (3) IF NEXUS IS ESTABLISHED BY AN OUT-OF-STATE SELLER FOR
7 PURPOSES OF DETERMINING LIABILITY FOR THE TAX LEVIED UNDER THIS
8 ACT, NEXUS SHALL EXIST FOR THAT OUT-OF-STATE SELLER FROM THE DATE
9 NEXUS IS ESTABLISHED FOR THE REMAINDER OF THE MONTH AND FOR THE
10 FOLLOWING 11 MONTHS. THE SELLER OR THE DEPARTMENT MAY SUBMIT PROOF
11 THAT A LONGER OR SHORTER PERIOD MORE REASONABLY REFLECTS THE SALES
12 THAT WERE PROXIMATELY CAUSED BY THE SELLER'S IN-STATE CONTACTS
13 UNDER THE FACTS AND CIRCUMSTANCES.

14 (4) IF NEXUS IS ESTABLISHED FOR AN OUT-OF-STATE SELLER, THAT
15 OUT-OF-STATE SELLER SHALL REGISTER AS REQUIRED UNDER SECTION 5.

16 (5) AS USED IN THIS SECTION:

17 (A) "ESTABLISH OR MAINTAIN THE MARKET FOR AN OUT-OF-STATE
18 SELLER" INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING ACTIVITIES:

19 (i) SOLICITING SALES.

20 (ii) MAKING REPAIRS OR PROVIDING MAINTENANCE OR SERVICE TO
21 PROPERTY SOLD OR TO BE SOLD.

22 (iii) COLLECTING CURRENT OR DELINQUENT ACCOUNTS, THROUGH
23 ASSIGNMENT OR OTHERWISE, RELATED TO SALES OF TANGIBLE PERSONAL
24 PROPERTY OR SERVICES.

25 (iv) DELIVERING PROPERTY SOLD TO CUSTOMERS.

26 (v) INSTALLING OR SUPERVISING INSTALLATION AT OR AFTER
27 SHIPMENT OR DELIVERY.

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(vi) CONDUCTING TRAINING FOR EMPLOYEES, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, BROKERS, OR OTHERS ACTING ON THE OUT-OF-STATE SELLER'S BEHALF OR FOR CUSTOMERS OR POTENTIAL CUSTOMERS OF THE OUT-OF-STATE SELLER.

(vii) PROVIDING CUSTOMERS ANY KIND OF TECHNICAL ASSISTANCE OR SERVICE, INCLUDING, BUT NOT LIMITED TO, ENGINEERING ASSISTANCE, DESIGN SERVICE, QUALITY CONTROL, PRODUCT INSPECTIONS, OR SIMILAR SERVICES.

(viii) INVESTIGATING, HANDLING, OR OTHERWISE ASSISTING IN RESOLVING CUSTOMER COMPLAINTS.

(ix) PROVIDING CONSULTING SERVICES.

(x) SOLICITING, NEGOTIATING, OR ENTERING INTO FRANCHISING, LICENSING, OR SIMILAR AGREEMENTS.

(xi) LAWYERS, ACCOUNTANTS, INVESTMENT BANKERS, AND OTHER SIMILAR PROFESSIONALS IN THIS STATE WHO PERFORM THEIR CUSTOMARY SERVICES FOR AN OUT-OF-STATE SELLER IN THEIR PROFESSIONAL CAPACITY SHALL NOT BE CONSIDERED TO BE ESTABLISHING OR MAINTAINING THE MARKET ON BEHALF OF THE OUT-OF-STATE SELLER.

(B) "REGULAR AND SYSTEMATIC PRESENCE" EXISTS IF AT LEAST 2 DAYS OF PRESENCE OCCUR IN THIS STATE WITHIN A 12-MONTH PERIOD.

[Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4972.

(b) House Bill No. 4973.

(c) House Bill No. 4980.

(d) House Bill No. 5095.

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- 1 (e) House Bill No. 5096.
- 2 (f) House Bill No. 5097.
- 3 (g) House Bill No. 5098.
(h) House Bill No. 5106.
(i) House Bill No. 5108.]