

narrow scope, you bet it is. So was the personal property tax. That's why the court threw it out. The only people that were paying that was a very narrow group of people. So we take another very narrow group of exemptions that exist there and say, you really don't have any good justification for existing anymore, we're going to raise the money in this area.

PRESIDENT MOUL: Time.

SENATOR HALL: I would urge adoption of the amendment.

PRESIDENT MOUL: Thank you, Senator Hall. Senator Will.

SENATOR WILL: Thank you, Madam President, members of the body, I rise to commend Senator Hall for bringing this proposal to us tonight. Even though I'm technically a freshman senator, I've been around here for two years longer than Senator Hall and this proposal has been around as long as I have and probably longer than that. Over the years we've had a number of proposals to tax services, to tax it broadly, to tax very specific services. In fact, we've had two fairly comprehensive examinations of the issue of sales tax on services, one of which was a task force established by the Revenue Committee when Vard Johnson was the chairman of that committee and the other of which was the Syracuse Tax Study which took part in a comprehensive look at our state tax system. And one of the things that both of those studies concluded more or less was that there is no fundamental difference between the sale of a service and the sale of a tangible piece of property. Essentially they both have the same characteristics. It's an exchange of money or currency or some sort of compensation for a good or a service that's coming in. It just so happens that when the sales tax was first implemented, probably the vast majority of transactions that occurred were transactions involving tangible personal property. As we've come down the road, we have a service sector that is expanding. There is an ever increasing number of sales that are occurring in that sector and it has caused us to look periodically at the sale of services to see if that's something that we might want to include in the tax base. Now frankly, I came into this legislative session prepared to not vote for a sales tax on services of any type and the reason for that is that typically what has happened when sales tax on services proposals have come along is that the interests that are able to best afford lobbyists and best spend their time convincing us that their services shouldn't be taxed have been successful in