## Tax hike passed

# Senate Dems 'put it together'

In the end, there was no compromise. On the kind of straight party-line votes that Michigan hadn't seen for years, the state Legislature last week passed

the state Législature last week passed a personal income tax increase ciose to the levels asked by Gov. James Blanchard.

"We put it together in there," said Sen. Philip O. Mastin, D-Pontiac, as be emerged from a Democratic caucus prior to the vote. "We sounded out a few of their guys to see what they can go for." Mastin said there were no party-to-party negotiations.

"We're going to gamble the Democratis don't have 20 votes," said Sen. Richard Fessier, R-Union Lake, the misting whip. "Then we'll try to amend it."

MASTIN WAS exactly right, and the GOP gamble lost. Senate Democrats picked up the one Republican vote they needed, and Blanchard's tax proposal became lay.

needed, and Blanchard's tax proposal became law.

The key vote came Thurnday evening when 19 Democrats and Republican Harry DeMaso of Battle Creek provided a 20-18 state Senate majority over 17 Republicans and one Democrat — Gilbort DiNello of East Detroil. The majority passed two bills to raise the income tax rate to 6.35 percent from the current 4.6 percent.

Friday, the House concurred in the Senate version on a 58-50 vote. All 58 year votes were Democrats. The 47 Representations are published by three Democrats are possible of the proposition of the prop

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A 1.8 percent increase in the operating rate and a 0.25 increase for debt retirement will be retroactive to Jan.

1. The operating rate will be adjusted downward as unemployment fails but cannot be adjusted upward if joblessness worsen.

The Legislature rejected bipartisan attempts to place a salest air increase on the ballot. Legislature didn't even discuss on the floor such proposale as lowering property lax assessments and reducing the single business tax.

THE DISPLAY of old-fashloned party discipline came a week after Senate GOP Leader John Engler of Mt. Pleasant held out the olive branch of possible compromise. Engler announced a majority of his cancus would support a tax increase if Democrats would agree to modifications.

majority of his caucus would support a tax increase if Democrats would agree to modifications.

"I agreed with the majority of the Republican caucus," said Sen. R. Robert Geake, R.Northville. "We said that no income fax should be considered that doesn't have 1) a definite termination date and 2) some provision for business climate improvement.

"The Democrats didn't seem receptive to either. Blanchard is setting as his highest priority a tax that will last four years. Republicans also don't want to fund any budget we haven't seen, and we haven't seen his budget," said Cellonard appealed to Republican senators to vote in favor of the bill it-nally approver. He said, "It is a lasting solution to one the said," it is a lasting solution to one? The said, "It is a lasting solution to one?" and the haven't seen his body approver. He said, "It is a lasting solution to one?" and of the Color strategy was Geake's proposed bill to ease the

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burden of the single business tax on small firms to the tune of \$175 million. The third-term senator credited the Livonia Chamber of Commerce for the

Livonia Chamber of Commerce for the ideas.
Geake's bill called for removing workers' comp insurance premiums and unemployment comp taxes from the SBT base, allowing 100 percent of research and development expenses to be subtracted from the SBT obligation, and making a 1984 break for small firms retroactive to the first of 1983.

UNLIKE THE House battle of March 2 which was over quickly, the Senate vote was delayed by closed caucuses

and small meetings.
DiNello, the maverick Democrat, apent much time closeted with Sen. Patrick McCollough, D-bearborn, on compremise amendments. McCollough, describing himself as "a conservative show deem't want to see my state when the senting himself as "a see my state when the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in the senting himself as "in the senting himself" in the senting himself as "in

There were other unsuccessful maneuvers to make the tax bite more palatable.
Sen. Jack Faxon, D-Southfield, Joined Sen. John Kelly, D-Detroit, in proposing a public vote on raising the sales tax to 6 percent from 4 percent.

#### pet of the week



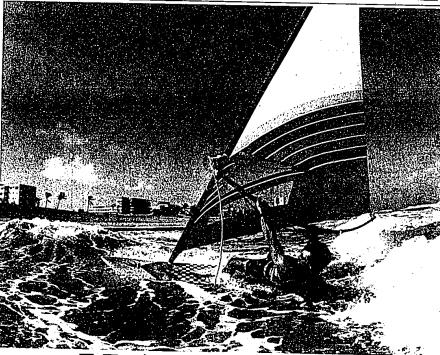
Sandy, a 1½-year-old poodle-terrier mix, is looking for a home. The sociable, three-legged fellow gets along with cats, birds and other dogs, but his former owners couldn't keep him in an apartment. Meet Sandy at the Michigan Humane Society shelter, 3800 Auburn Hoad, Pontilac Township. Phone is 852-7420.



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