

HCS HB 209 -- SIMPLIFIED MUNICIPAL TELECOMMUNICATIONS BUSINESS
LICENSE TAX (Cooper, 120)

COMMITTEE OF ORIGIN: Ways and Means

This substitute authorizes the simplified municipal telecommunications business license tax. After August 28, 2005, any municipality may impose this tax on a telecommunications company for the privilege of doing business within its borders. The telecommunications company can pass the tax onto its retail customers only if the company itemizes the tax on the customer's bill. The Director of the Department of Revenue will publish a list of the municipalities imposing this tax.

The maximum rate of the gross receipts percentage for any municipality is 5% for tax years 2006 and 2007 and 3% for 2008 and thereafter.

FISCAL NOTE: No impact on state funds in FY 2006, FY 2007, and FY 2008.