HLS 17RS-477 ORIGINAL

2017 Regular Session

HOUSE BILL NO. 582

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to prepaid wireless devices.

BY REPRESENTATIVES SMITH AND BROADWATER

TAX: Provides relative to the telecommunications tax for the deaf

1 AN ACT 2 To amend and reenact R.S. 47:1061(A), relative to the telecommunications tax for the deaf; 3 to provide with respect to the amount of the tax levied; to provide with respect to 4 those telecommunications services to which the tax is levied; to provide for certain 5 limitations; to provide for the amount of the deduction certain companies are 6 authorized to retain for the collection of such tax; and to provide for related matters. 7 Be it enacted by the Legislature of Louisiana: 8 Section 1. R.S. 47:1061 (A) is hereby amended and reenacted to read as follows: 9 §1061. Telecommunication tax for the deaf 10 A.(1) There is hereby levied a tax of five four cents per month to be assessed 11 per line for each wireline access line and per telephone number for each wireless 12 handset device on each residence residential and business customer telephone access 13 line of the local exchange companies of a local or wireless telecommunication 14 service company operating in Louisiana. The tax shall be collected from each

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residence residential and business customer and remitted by each such company on

or before thirty days after the close of each calendar quarter to the secretary of the

Department of Revenue on forms prescribed by the secretary. The tax provided for

in this Paragraph shall not apply to wireless devices used only for data purposes or

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1	(2) The local exchange companies or wireless telecommunication service
2	company collecting and remitting such tax as hereinabove provided shall be allowed
3	a deduction, not to exceed two three percent, from the amount so collected and
4	remitted to the secretary as compensation for such collection. The compensation
5	shall not be allowed, however, if the remittance is not made timely.
6	(3) The tax so collected and remitted by the local exchange companies on
7	wireless telecommunication service company shall not be subject to any tax, fee, or
8	assessment, nor shall it be considered revenue of the local exchange companies on
9	wireless telecommunication service company.
10	(4) Collection and remittance of prepaid wireless charge.
11	(a) There is hereby imposed a prepaid wireless charge of four percent of the
12	amount of the per retail transaction.
13	(b) This charge shall be administered in the same manner as the prepaid 911
14	charge authorized in R.S. 33:9109.1(C) and (D).
15	(5) The revenues so collected shall be remitted by the secretary immediately
16	upon receipt to the treasurer and the treasurer shall credit the full amount of such
17	taxes to the Bond Security and Redemption Fund. After a sufficient amount is
18	allocated from that fund to pay all obligations secured by the full faith and credit of
19	the state which become due and payable within any fiscal year, the treasurer shall
20	pay the remainder of such funds into a special fund which is hereby created within
21	the state treasury and designated as the "Telecommunications for the Deaf Fund".
22	* * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 582 Original

2017 Regular Session

Smith

Abstract: Decreases the telecommunications tax <u>from</u> \$.05 to \$.04 but expands the services upon which the tax is levied to include wireless handset devices and prepaid wireless services.

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<u>Present law</u> provides for a monthly \$.05 tax on each residential and business customer telephone access line of the local exchange companies operating in La. Such fee is deposited in the Telecommunications for the Deaf Fund and used to establish, administer, and promote a statewide program to provide accessibility services and assistive technology for persons who are deaf, hard of hearing, or speech impaired.

<u>Proposed law</u> retains <u>present law</u> but decreases the monthly tax <u>from</u> \$.05 <u>to</u> \$.04 and expands the services upon which the tax is levied to include wireless handset devices. Requires the tax to be levied per month and to be assessed per line for each wireless access line and per telephone number for each wireless handset device.

<u>Proposed law</u> exempts wireless devices used only for data purposes and prepaid wireless devices from the levy of the tax.

<u>Present law</u> authorizes companies collecting and remitting the tax to retain a portion, not to exceed 2%, from the amount collected and remitted as compensation for collecting the tax if the remittance of the monies to the Dept. of Revenue is made timely.

<u>Proposed law</u> retains <u>present law</u> but increases the amount allowed to be retained <u>from</u> no more than 2% to no more than 3%.

<u>Proposed law</u> provides for a 4% charge on the retail sale of prepaid wireless services that is to be deposited in the Telecommunications for the Deaf Fund.

(Amends R.S. 47:1061(A))