

2017 Regular Session

HOUSE BILL NO. 582

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; to provide for an effective date;
7 and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:1061(A) is hereby amended and reenacted to read as follows:

10 §1061. Telecommunication tax for the deaf

11 A.(1) There is hereby levied a tax of ~~five~~ four cents per month to be assessed
12 per line for each wireline access line and per telephone number for each wireless
13 handset device on each ~~residence~~ residential and business customer ~~telephone access~~
14 line of the local exchange companies of a local or wireless telecommunication
15 service company operating in Louisiana. The tax shall be collected from each
16 ~~residence~~ residential and business customer and remitted by each such company on
17 or before thirty days after the close of each calendar quarter to the secretary of the
18 Department of Revenue on forms prescribed by the secretary. The tax provided for
19 in this Paragraph shall not apply to wireless devices used only for data purposes or
20 to prepaid wireless devices.

21 (2) The local ~~exchange companies~~ or wireless telecommunication service
22 company collecting and remitting such tax as hereinabove provided shall be allowed

1 a deduction, not to exceed ~~two~~ three percent, from the amount so collected and
2 remitted to the secretary as compensation for such collection. The compensation
3 shall not be allowed, however, if the remittance is not made timely.

4 (3) The tax so collected and remitted by the local ~~exchange companies~~ or
5 wireless telecommunication service company shall not be subject to any tax, fee, or
6 assessment, nor shall it be considered revenue of the local ~~exchange companies~~ or
7 wireless telecommunication service company.

8 (4) The revenues so collected shall be remitted by the secretary immediately
9 upon receipt to the treasurer and the treasurer shall credit the full amount of such
10 taxes to the Bond Security and Redemption Fund. After a sufficient amount is
11 allocated from that fund to pay all obligations secured by the full faith and credit of
12 the state which become due and payable within any fiscal year, the treasurer shall
13 pay the remainder of such funds into a special fund which is hereby created within
14 the state treasury and designated as the "Telecommunications for the Deaf Fund".

15 * * *

16 Section 2. This Act shall become effective on October 1, 2017.

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 Reengrossed 2017 Regular Session Smith

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

Present law provides for a monthly \$.05 tax on each residential and business customer telephone access line of the local exchange companies operating in La. The 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.

Proposed law retains present law but decreases the monthly tax from \$.05 to \$.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.

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

Present law 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.

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

Effective Oct. 1, 2017.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Clarify that the administration of the tax in proposed law will only be in accord with certain provisions of present law with respect to prepaid 911 charges.
2. Add effective date of Oct. 1, 2017.

The House Floor Amendments to the engrossed bill:

1. Delete the imposition of the 4% prepaid wireless charge.
2. Delete provisions related to the collection and remittance of the prepaid wireless charge.