SLS 14RS-1671 ORIGINAL

Regular Session, 2014

SENATE CONCURRENT RESOLUTION NO. 91

BY SENATOR MARTINY

TAX EXEMPTIONS. Requests the Department of Revenue to study a communications network equipment tax exemption and report its findings to the legislature.

1	A CONCURRENT RESOLUTION
2	To request the Department of Revenue to study the effects of exempting communications
3	networks from certain taxes and to report its findings to the legislature.
4	WHEREAS, American consumers increasingly rely on high-speed communications
5	networks in their everyday lives for work, entertainment, emergency communications, and
6	other purposes; and
7	WHEREAS, communications networks have become an integral part of the business
8	process for millions of American businesses in sectors as diverse as agriculture, health care,
9	manufacturing, retail, transportation, and many others; and
10	WHEREAS, communications networks, both wired and wireless, have become
11	essential to the delivery of government services and have the potential to allow for more
12	efficient and cost-effective delivery of government services; and
13	WHEREAS, the United States is a technology leader in the field of wired and
14	wireless broadband deployment; and
15	WHEREAS, this technology leadership has allowed American businesses to lead the
16	way in the global marketplace in areas such as applications development, "cloud-based"
17	services, and the utilization of software in the communications networks; and
18	WHEREAS, the rapid adoption of new communications technologies by American

1 businesses and consumers requires the investment of tens of billions of dollars to keep pace 2 with the exponential growth in demand for network capacity; and 3 WHEREAS, state economic growth and competitiveness is dependent upon the 4 deployment of modern, efficient communications networks; and WHEREAS, a study by Dr. Raul Katz at Columbia University reportedly found that 5 sales taxes on communications network investment reduce economic growth by increasing 6 7 the cost of investment and slowing communications network investment and concluded that 8 eliminating sales taxes on communications network investment in the states that impose 9 these taxes could increase economic growth by \$33 billion and lead to the creation of 10 243,000 jobs within three years; and 11 WHEREAS, the National Conference of State Legislatures supports the policy goal 12 of encouraging deployment of high speed communications networks across all states, 13 including rural and under-served areas. 14 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby 15 request the Department of Revenue to study the effects of exempting communications 16 network equipment from state taxation. BE IT FURTHER RESOLVED that the department is requested to report its findings 17 18 to the legislature no later than six weeks prior to the convening of the 2015 Regular Session 19 of the Legislature.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the secretary of the Department of Revenue.

20

21

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

Martiny SCR No. 91

Requests the Department of Revenue to study the effects of exempting communications networks from certain taxes and to report its findings to the legislature.