

## 2005 SESSION

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### HOUSE RESOLUTION NO. 29

Offered January 12, 2005

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*Memorializing the Congress of the United States to repeal the federal excise tax on telecommunications.*

Patrons—Black and Lingamfelter

Referred to Committee on Rules

WHEREAS, the federal excise tax on telecommunications was enacted in 1898 to fund the Spanish-America War; and

WHEREAS, the tax was introduced as a temporary luxury tax; and

WHEREAS, telephone service is no longer a luxury, but a necessity for consumers of all income levels; and

WHEREAS, the federal excise tax is regressive, as low-income Americans pay a higher percentage of their income telephone services than higher-income Americans; and

WHEREAS, telecommunications services are the infrastructure upon which new technologies, including the Internet, depend, and therefore, the telecommunications excise tax discourages expansion of both the telephone infrastructure and new technologies; and

WHEREAS, the federal excise tax on telecommunications flows into the general fund, rather than being earmarked for a specific purpose; and

WHEREAS, both houses of Congress passed a bill repealing of the federal excise tax on telecommunications in 2000, a bill that then-President Clinton vetoed; now, therefore, be it

RESOLVED by the House of Delegates, That the Congress of the United States be urged to repeal the federal excise tax on telecommunications; and, be it

RESOLVED FURTHER, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation so that they may be apprised of the sense of the House of Delegates of Virginia in this matter.

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