

STATE OF ALASKA THE LEGISLATURE

2005

Source
SJR 11

Legislative
Resolve No.
14



Urging the United States Congress to amend the tax code to repeal the federal excise tax on communications.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS the federal excise tax on communications was enacted in 1898 for the purpose of funding the Spanish-American War; and

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

WHEREAS telephone service is no longer a luxury, but rather 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 for telephone services than high-income Americans; and

WHEREAS the Internet and other new technologies depend on the telecommunications infrastructure, so the telecommunications excise tax discourages expansion not only of the telephone infrastructure but also of 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 the United States Congress passed a repeal of the federal excise tax on

telecommunications in 2000, which was vetoed by President Clinton;

BE IT RESOLVED that the Alaska State Legislature requests the members of the Alaska delegation to the United States Congress to support a repeal of the federal excise tax on communications.

COPIES of this resolution shall be sent to the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.