

By Senator Haridopolos

26-700-06

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Senate Memorial

A memorial to the Congress of the United States, urging Congress to repeal the federal excise tax on telephone and other communications services.

WHEREAS, the federal telephone excise tax was instituted in 1898 during the Spanish-American War to help finance the military conflict with Spain, and

WHEREAS, at that time, the tax was in the amount of 1 cent per telephone call and was designed as a luxury tax that would affect only the wealthiest of Americans, and

WHEREAS, although the Spanish-American War continued for only a few months, the telephone excise tax continues to be levied today and has increased to a total of 3 percent of the consumer's telephone bill, including call waiting, caller ID, local toll charges, long-distance charges, wireless services, and directory assistance, and

WHEREAS, in the year 2000, the United States Congress attempted to repeal this tax, but President Clinton vetoed the legislation, and

WHEREAS, the telephone excise tax is no longer a luxury tax, since nearly everyone in the United States has a telephone, and

WHEREAS, since the tax is levied at a fixed percent of the cost of telecommunications services, it is a regressive tax, because lower-income individuals spend a higher percentage of their wages on this tax than do higher-income individuals, and

1 WHEREAS, the tax is also an "invisible" tax, in that it
2 is collected by the telephone companies rather than by the
3 government, NOW, THEREFORE,

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5 Be It Resolved by the Legislature of the State of Florida:

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7 That the Congress of the United States is requested to
8 repeal the federal excise tax on telephone and other
9 communications services, by passing Senate Bill 1321,
10 sponsored by Senator Rick Santorum (R-Pennsylvania), House
11 Resolution 1898, sponsored by Representative Gary Miller
12 (R-California), each of which is entitled the "Telephone
13 Excise Tax Repeal Act of 2005," or similar legislation.

14 BE IT FURTHER RESOLVED that copies of this memorial be
15 dispatched to the President of the United States, to the
16 President of the United States Senate, to the Speaker of the
17 United States House of Representatives, and to each member of
18 the Florida delegation to the United States Congress.

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