



## 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

Legislative Document

No. 1143

H.P. 838

House of Representatives, April 1, 1993

An Act Concerning the Definition of Telecommunications Under the Tax Laws.

Reference to the Committee on Taxation suggested and ordered printed.

∕ĴOSEPH W. MAYO, Clerk

Presented by Representative DAGGETT of Augusta. Cosponsored by Representative: HOGLUND of Portland, Senator: BUSTIN of Kennebec.

## Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 36 MRSA §1752, sub-§18-A, as amended by PL 1985, c. 819, Pt. C, §§6 and 7, is further amended to read:

6 18-A. Telephone or telegraph service. "Telephone or telegraph service" means all telecommunications or telegraph service, including installation or use of telecommunication or 8 telegraphic equipment, but not including telecommunications or 10 telegraph service originating or terminating outside this State. "Telecommunications and telegraphic equipment" means any 2-way 12 interactive communications device, system or process for transmitting or receiving electromagnetic signals and capable of 14 exchanging audio, data base or textual information. "Telecommunications" <u>does not include 2-way radio</u> -16 communications. Until January 1, 1988, telecommunications service includes access services provided by a local exchange carrier to an interstate or intrastate interexchange carrier. Notwithstanding subsection 11, a sale of access services shall-be 20 is considered a retail sale. Beginning January 1, 1988, unless extended by the Legislature, telecommunications service shall does not include those access services. "Telephone or telegraph 22 service" does not include directory advertising service. 24

## STATEMENT OF FACT

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This bill removes 2-way radio communications from the definition of telecommunications thereby exempting 2-way radio communications services from the sales tax imposed on telephone or telegraph services.