

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

SECOND SPECIAL SESSION-1998

Legislative Document

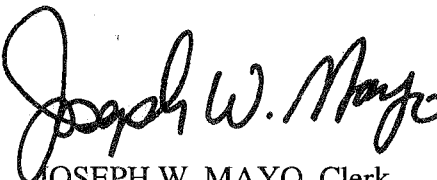
No. 2298

H.P. 1681

House of Representatives, April 7, 1998

Resolve, to Create a Task Force to Study Telecommunications Taxation.

Reported by Representative TRIPP for the Joint Standing Committee on Taxation pursuant to Joint Order H.P. 1659.


JOSEPH W. MAYO, Clerk

2 **Sec. 1. Task force established. Resolved:** That the Task Force to
Study Telecommunications Taxation, referred to in this resolve as
the "task force," is established; and be it further

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6 **Sec. 2. Task force membership. Resolved:** That the task force
consists of the following 15 members:

8 1. One member from the Department of Administrative and
Financial Services, either the Bureau of Revenue Services or the
10 Bureau of Information Services, appointed by the Governor;

12 2. One member from the Department of Economic and Community
Development, appointed by the Governor;

14 3. One municipal official who has expertise in the area of
16 telecommunications property taxation, appointed by the Governor;

18 4. Six representatives from the communications industry,
appointed by the Governor, representing the following business
20 groups:

22 A. One representative of an independent telephone company;

24 B. One representative of a regional telephone company;

26 C. One representative of a long distance telephone company;

28 D. One representative of a cable television company;

30 E. One representative of an internet service provider; and

32 F. One representative of a primarily nonwire-based
telecommunications carrier;

34 5. Three members of the Senate, at least one of whom
36 represents the Joint Standing Committee on Taxation, appointed by
the President of the Senate; and

38 6. Three members of the House of Representatives, at least
40 one of whom represents the Joint Standing Committee on Taxation,
appointed by the Speaker of the House; and be it further

42 **Sec. 3. Appointments; meetings. Resolved:** That all
44 appointments must be made no later than 30 days following the
effective date of this resolve. The Executive Director of the
46 Legislative Council must be notified by all appointing
authorities once the appointments have been made. Within 15 days
48 after the appointment of all members has been completed, the
Chair of the Legislative Council shall call and convene the first

meeting of the task force. The members shall select a chair from among the members who are Legislators; and be it further

Sec. 4. Duties. Resolved: That the task force shall:

1. Identify and recommend methods to eliminate disparities within the present tax system among the various telecommunications industry subgroups including, but not limited to:

- A. Rural independent telephone service providers;
- B. Regional telephone companies;
- C. Cellular telephone service providers;
- D. Long distance telephone service providers;
- E. Cable television companies;
- F. Internet service providers; and
- G. Radio paging service providers;

2. Compare the telecommunications businesses with other industry sectors and, to the extent possible, with similar businesses in other states;

3. Evaluate strategies to ensure that the telecommunications tax system is easily administered and predictable and that it provides for revenue stability; and

4. Clearly define the tax base and appropriate taxing jurisdiction; and be it further

Sec. 5. Staffing assistance. Resolved: That the task force may request staffing assistance from the Department of Administrative and Financial Services, Bureau of Revenue Services and the Legislative Council; and be it further

Sec. 6. Reimbursement. Resolved: That the members of the task force who are Legislators are entitled to receive the legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2 and to receive reimbursement for travel and other necessary expenses for attendance at meetings of the task force upon application to the Executive Director of the Legislative Council. Other members are not entitled to reimbursement of expenses; and be it further

2 Administrative and Financial Services and the Legislature
utilizing existing budgeted resources.

4 The Department of Economic and Community Development and the
6 Department of Administrative and Financial Services will incur
some minor additional costs to participate as members of the task
8 force. These costs can be absorbed within the respective
departments' existing budgeted resources.

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SUMMARY

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14 This resolve creates a task force to study the taxation of
telecommunications services and make recommendations to the
16 Legislature on methods of ensuring that state taxation of
telecommunications keeps pace with technological developments,
maintains equitable treatment of comparable services and provides
18 for administrative efficiency and revenue stability.