

1 **COMMITTEE: COMMUNICATIONS, FINANCIAL**
2 **SERVICES & INTERSTATE COMMERCE**

3 **RESOLUTION: NCSL SUPPORTS FEDERAL VOIP**
4 **COMMUNICATIONS SOURCING**

5 **TYPE: RESOLUTION**

6 WHEREAS, state and local transaction taxes and fees imposed on
7 communications services should be applied uniformly and in a competitively
8 neutral manner upon all providers of communication services; and
9

10 WHEREAS, the Mobile Telecommunications Sourcing Act (P.L. 106-252)
11 established uniformity of sourcing mobile telecommunications for state and local
12 tax purposes; and
13

14 WHEREAS, NCSL worked with other state and local organizations as well as the
15 wireless industry in developing the Mobile Telecommunications Sourcing Act;
16 and
17

18 WHEREAS, NCSL supported the enactment of the Mobile Telecommunications
19 Sourcing Act and assisted states in complying with the federal legislation; and
20

21 WHEREAS, interconnected Voice over Internet Protocol (VoIP) services, as
22 defined by the Federal Communications Commission are not uniformly sourced
23 for tax purposes and may unnecessarily subject consumers, businesses and
24 others engaged in interstate commerce to multiple, confusing and burdensome
25 state and local taxes; and
26

27 WHEREAS, the general rule of the Mobile Telecommunications Sourcing Act
28 sources the tax on wireless services to the “customer’s place of primary use,

29 regardless of where the services originate, terminate, or pass through, and no
30 other taxing jurisdiction may impose taxes, charges, or fees on charges for such
31 services”; and

32

33 WHEREAS, such a sourcing rule should also apply to interconnected VoIP
34 services.

35

36 NOW, THEREFORE BE IT RESOLVED THAT, the National Conference of State
37 Legislatures supports federal legislation that would require sourcing for purposes
38 of state and local taxation of interconnected VoIP services to be the same as the
39 sourcing rule for state and local taxation of wireless services as contained in the
40 Mobile Telecommunications Sourcing Act, and

41

42 BE IT FURTHER RESOLVED THAT, the VoIP Communications Sourcing Act
43 should not address any other tax issues, and

44

45 BE IT FURTHER RESOLVED THAT, a copy of this resolution be sent to the
46 President of the United States and all members of the 113th Congress.