

By: Janek

S.B. No. 1022

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the application of the sales and use tax to certain
3 telecommunications services provided through the use of a pay
4 phone.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 151.0103, Tax Code, is amended to read as
7 follows:

8 Sec. 151.0103. TELECOMMUNICATIONS SERVICES. (a) For the
9 purposes of this title only, "telecommunications services" means
10 the electronic or electrical transmission, conveyance, routing, or
11 reception of sounds, signals, data, or information utilizing wires,
12 cable, radio waves, microwaves, satellites, fiber optics, or any
13 other method now in existence or that may be devised, including but
14 not limited to long-distance telephone service. The term does not
15 include:

16 (1) the storage of data or information for subsequent
17 retrieval or the processing, or reception and processing, of data
18 or information intended to change its form or content;

19 (2) the sale or use of a telephone prepaid calling
20 card; ~~or~~

21 (3) Internet access service; or

22 (4) a pay telephone coin sent-paid telephone call.

23 (b) The exemption provided by Subsection (a)(4) applies
24 only to the portion of the sales price of the telecommunications

1 service that is paid by coin.

2 SECTION 2. The change in law made by this Act does not
3 affect tax liability accruing before the effective date of this
4 Act. That liability continues in effect as if this Act had not been
5 enacted, and the former law is continued in effect for the
6 collection of taxes due and for civil and criminal enforcement of
7 the liability for those taxes.

8 SECTION 3. This Act takes effect September 1, 2007.