

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 232

Introduced by Pirsch, 4.

PURPOSE: The purpose of this interim study is to examine the occupation taxes imposed on wireless telecommunication services. Nebraska had the highest rate of taxation on wireless telecommunication consumers in the country with a rate in excess of 18%, in part due to occupation taxes. There is no limit on the occupation tax rate that may be imposed on wireless telecommunication services. Customers in some areas pay an occupation tax of up to 6.25% on wireless telecommunication services, while consumers in other areas pay no occupation tax. The occupation tax is a regressive tax, burdening lower-income customers at the same rate as higher-income customers. The State of Nebraska covers a large geographic area, and it is in the interest of all Nebraskans to have affordable statewide wireless telecommunication services. Occupation taxes create a burden on the development of new wireless telecommunication services and the growth of existing wireless telecommunication services. The Legislature should study the occupation taxes currently imposed on wireless telecommunication services in Nebraska and determine ways the state can maintain and advance the efficiency and availability of telecommunication services in the state.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE

HUNDRED FIRST LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Revenue Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.