



# Alaska State Legislature

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**Sponsor:** Senator Gene Therriault  
**Current Version:** SJR 11  
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## Fact Sheet for: Senate Joint Resolution 11

**Short Title:** REPEAL TELECOMMUNICATIONS TAX

### Summary:

- Urges the United State Congress to amend the tax code to repeal the federal excise tax on communications.

### Benefits:

- Could encourage expansion of the telephone infrastructure, Internet and other new technologies.
- Urges repeal of a regressive federal excise tax that no longer serves its intended purpose.

### Background:

- The federal excise tax on communications was enacted in 1898 for the purpose of funding the Spanish-American war as a "temporary" luxury tax. Telephone service is no longer a luxury, but a necessity. The federal excise tax is regressive, as low-income Americans pay a higher percentage of their income for telephone services than high-income Americans. The tax now flows into the general fund, rather than being earmarked for a specific purpose. The U.S. Congress passed a repeal of the federal excise tax on telecommunications in 2000, but it was vetoed by President Bill Clinton.