

## **RULE**

### **Department of Revenue Policy Services Division**

#### Telephone Company Property Assessment Relief Fund (LAC 61:I.1905)

Under the authority of R.S. 47:6014 and R.S. 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, adopts LAC 61:I.1905 concerning the deposits to be made to the Telephone Company Property Assessment Relief Fund.

#### **Title 61**

#### **REVENUE AND TAXATION**

#### **Part I. Taxes Collected and Administered by the Secretary of Revenue**

#### **Chapter 19. Miscellaneous Tax Exemptions**

#### **§1905. Telephone Company Property Assessment Relief Fund**

A. Telephone companies are allowed a credit for 40 percent of the total ad valorem taxes paid to political subdivisions of Louisiana on their public service properties that are assessed by the Louisiana Tax Commission at 25 percent of fair market value.

B. The credit can be taken against the following state taxes:

1. individual income tax;
2. corporation income tax; and
3. corporation franchise tax.

C. The monies to pay the credits will be taken from Telephone Company Property Assessment Relief Fund.

D. The state sales taxes collected on interstate telecommunication services will be deposited into the Telephone Company Property Assessment Relief Fund.

1. The amount state sales taxes collected on interstate telecommunications will be determined by the secretary using industry data available at the time the fund was originally created and was published by the Federal Communications Commission.

2. Based on the industry data published by the Federal Communications Commission in 1998, which was the latest available data at the time that the fund was created in 2000, 36 percent of telephone revenues in Louisiana from end-users were from interstate calling.

3. Accordingly, the Secretary of Revenue has notified the state Treasurer that 36 percent of the sales tax revenue collected on telecommunication services shall be deposited to the Telephone Company Property Assessment Relief Fund.

4. This Rule shall be effective July 1, 2006, in accord with Acts 2005, No. 266.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6014 and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 32:0000 (May 2006).

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