

110TH CONGRESS
1ST SESSION

S. 140

To amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications services.

IN THE SENATE OF THE UNITED STATES

JANUARY 4, 2007

Mr. SCHUMER (for himself and Mr. CRAPO) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications services.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Telephone Excise Tax
5 Repeal Act of 2007”.

6 **SEC. 2. REPEAL OF EXCISE TAX ON TELEPHONE AND**
7 **OTHER COMMUNICATIONS SERVICES.**

8 (a) IN GENERAL.—Chapter 33 of the Internal Rev-
9 enue Code of 1986 (relating to facilities and services) is
10 amended by striking subchapter B.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 4293 of such Code is amended by
3 striking “chapter 32 (other than the taxes imposed
4 by sections 4064 and 4121) and subchapter B of
5 chapter 33,” and inserting “and chapter 32 (other
6 than the taxes imposed by sections 4064 and
7 4121),”.

8 (2)(A) Paragraph (1) of section 6302(e) of such
9 Code is amended by striking “section 4251 or”.

10 (B) Paragraph (2) of section 6302(e) of such
11 Code is amended—

12 (i) by striking “imposed by—” and all that
13 follows through “with respect to” and inserting
14 “imposed by section 4261 or 4271 with respect
15 to”, and

16 (ii) by striking “bills rendered or”.

17 (C) The subsection heading for section 6302(e)
18 of such Code is amended by striking “COMMUNICA-
19 TIONS SERVICES AND”.

20 (3) Section 6415 of such Code is amended by
21 striking “4251, 4261, or 4271” each place it ap-
22 pears and inserting “4261 or 4271”.

23 (4) Paragraph (2) of section 7871(a) of such
24 Code is amended by inserting “or” at the end of
25 subparagraph (B), by striking subparagraph (C),

1 and by redesignating subparagraph (D) as subpara-
2 graph (C).

3 (5) The table of subchapters for chapter 33 of
4 such Code is amended by striking the item relating
5 to subchapter B.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to amounts paid pursuant to bills
8 first rendered more than 90 days after the date of the
9 enactment of this Act.

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