

APPENDIX A:

State and Local Transaction Taxes, Fees, and Government Charges on Wireless Service

As of July 1, 2012

STATE	TYPE OF TAX	RATE	COMMENTS
Alabama			
	AL Cell Service Tax	6.00%	Access, interstate and intrastate
	E911	1.49%	\$.70/ month
	TOTAL TRANSACTION TAX	7.49%	
Alaska			
	Local Sales Tax	2.50%	Avg. of Juneau (5%) & Anchorage (0%)
	Local E911	3.62%	Anchorage - \$1.50; Juneau - \$1.90
	State USF	5.98%	9.5% times FCC safe harbor
	TOTAL TRANSACTION TAX	12.09%	
Arizona			
	State sales (transaction priv.)	6.60%	intrastate telecommunications service
	County sales (transaction priv.)	0.60%	Phoenix (Maricopa Cty) = 0.7%; Tucson (Pima Cty) = 0.5%
	City telecommunications	3.35%	Avg. Phoenix (4.7%) & Tucson (2.0%)
	City utility license tax	2.00%	Avg. Phoenix (0%) & Tucson (4.0%)
	911	0.43%	\$.20 per month
	TOTAL TRANSACTION TAX	12.98%	
Arkansas			
	State sales tax	6.00%	6% effective 3/1/2004
	Local sales taxes	2.88%	Avg. Little Rock (2.5%) & Fayetteville (3.25%)
	State High Cost Fund	1.26%	2.0% times FCC safe harbor
	Wireless 911	1.38%	\$.65 / month statewide.
	TRS service & TRS equipment	0.02%	\$.01 per line per month
	TOTAL TRANSACTION TAX	11.54%	
California			
	Local Utility User Tax	8.00%	Avg. of LA (9%) and Sacramento (7%)
	State 911	0.50%	intrastate
	PUC fee	0.18%	intrastate
	ULTS (lifeline)	1.15%	intrastate
	Deaf/CRS	0.20%	intrastate
	High Cost Funds A & B	0.70%	intrastate
	Teleconnect Fund	0.08%	intrastate
	CASF - advanced services fund	0.14%	
	TOTAL TRANSACTION TAX	10.95%	
Colorado			
	State Sales Tax	2.90%	access and intrastate
	Local Sales Tax -- City/County	3.56%	Avg. of Denver (3.62%) & Colorado Springs (3.5%)
	Local Sales Tax -- RTD, CD, BS	1.05%	Denver (1.1%) / Colorado Springs (1%)
	911	1.49%	Denver (\$.70) / Colorado Springs (\$.70)
	USF	1.82%	2.9% times FCC safe harbor
	TOTAL TRANSACTION TAX	10.82%	
Connecticut			
	State sales tax	6.35%	Access, interstate and intrastate

	911	1.06%	\$.50 per line
	TOTAL TRANSACTION TAX	7.41%	
Delaware			
	Public Utility Gross Receipts Tax	5.00%	Access and intrastate
	Local 911 tax	1.28%	\$.60 / month
	TOTAL TRANSACTION TAX	6.28%	
District of Columbia			
	Telecommunication Privilege Tax	10.00%	Monthly gross charge -- residential rate
	911	1.62%	\$.076 per month;
	TOTAL TRANSACTION TAX	11.62%	
Florida			
	State Communications services	9.17%	Access, interstate and intrastate
	Local Communications services	6.36%	Jacksonville 5.82%; Tallahassee 6.9%
	911	1.06%	\$.50/month statewide
	TOTAL TRANSACTION TAX	16.59%	
Georgia			
	State sales tax	2.98%	4% of "access charge" -- assume \$35
	Local sales tax	2.61%	Avg. rate Atlanta (4%) & Augusta (3%)
	Local 911	3.19%	Atlanta -- \$1.50/line; Augusta -- \$1.50/line
	TOTAL TRANSACTION TAX	8.78%	
Hawaii			
	Public service co. tax	4.00%	
	Additional county tax	1.88%	
	PUC Fee	0.25%	.25% of intrastate
	Wireless 911	1.40%	\$.66 per month
	TOTAL TRANSACTION TAX	7.53%	
Idaho			
	Telephone service asst. program	0.15%	Set annually by PUC -- currently \$.07/mo
	Statewide wireless 911	2.13%	Boise = \$1.00 per month
	TOTAL TRANSACTION TAX	2.28%	
Illinois			
	State telecom excise tax	7.00%	Access, interstate and intrastate
	Simplified municipal tax	5.50%	Avg. of Chicago (7%) & Springfield (4%)
	Wireless 911	3.44%	Chicago \$2.50/mo.; others \$.73/mo
	TOTAL TRANSACTION TAX	15.94%	
Indiana			
	State sales tax	7.00%	Access and intrastate
	Utility receipts tax	1.40%	Same base as sales tax
	Wireless 911	1.91%	\$.90/month
	State USF	0.33%	.52% x FCC safe harbor
	State TRS fee	0.06%	\$.03 per line
	PUC fee	0.15%	
	TOTAL TRANSACTION TAX	10.86%	
Iowa			

	State sales tax	6.00%	
	Local option sales taxes	0.50%	Avg. of Cedar Rapids (1%) & Des Moines (0%)
	Wireless 911	1.38%	\$0.65 per month
	Dual Party Relay Service fee	0.06%	\$0.03 per month
	TOTAL TRANSACTION TAX	7.95%	
Kansas			
	State sales tax	6.30%	intrastate & interstate
	Local option sales taxes	1.83%	Avg. of Wichita (1.0%) & Topeka (2.65%)
	USF	3.86%	6.13% x FCC safe harbor
	Wireless 911	1.13%	\$.53 per month per line
	TOTAL TRANSACTION TAX	13.11%	
Kentucky			
	State sales tax	6.00%	Access, interstate and intrastate
	School utility gross receipts	1.50%	Avg Frankfort (3%) and Louisville (0%)
	Kentucky USF	0.17%	\$.08 per month
	Kentucky TAP & TRS	0.09%	\$.04 per month
	Wireless 911	1.49%	\$.70 / month
	Communications gross receipts tax	1.30%	Access, interstate and intrastate
	TOTAL TRANSACTION TAX	10.54%	
Louisiana			
	State sales tax	3.00%	Intrastate rate
	Wireless 911	1.81%	New Orleans \$0.85/mo.; Baton Rouge \$.85/mo.
	State USF	2.40%	May vary by carrier
	TOTAL TRANSACTION TAX	7.21%	
Maine			
	State service provider tax	5.00%	intrastate
	911 tax	0.96%	\$.45 per month
	Maine USF	0.94%	1.49% times FCC safe harbor
	MTEAF	0.38%	0.6% times FCC safe harbor
	TOTAL TRANSACTION TAX	7.27%	
Maryland			
	State sales tax	6.00%	"mobile telecommunications service"
	Local telecom excise	4.26%	\$4.00 per month in Baltimore; no tax in Annapolis
	State 911	0.53%	\$.25/month
	County 911	1.60%	\$.75 per month in Baltimore and Anne Arundel counties
	State USF	0.38%	\$0.18 per month effective 7/1/2012
	TOTAL TRANSACTION TAX	12.77%	
Massachusetts			
	State sales tax	6.25%	interstate and intrastate
	Wireless 911	1.60%	\$.75 per month
	TOTAL TRANSACTION TAX	7.85%	
Michigan			
	State sales tax	6.00%	interstate and intrastate
	State wireless 911	0.40%	\$.19 per month
	County wireless 911	0.89%	Detroit and Lansing both \$.42/month
	Intrastate toll restructuring fund	0.39%	0.62% times FCC safe harbor

	TOTAL TRANSACTION TAX	7.69%	
Minnesota			
	State sales tax	6.88%	Interstate and intrastate
	Local sales tax	0.83%	Minneapolis (0.9%) and St. Paul (0.75%)
	911	1.70%	Increased from \$.75 to \$.80 7/1/2011
	Telecom access MN fund	0.13%	Set by PUC – currently \$.06/month
	TOTAL TRANSACTION TAX	9.53%	
Mississippi			
	State sales tax	7.00%	Access, interstate and intrastate
	Wireless 911	2.13%	\$1.00 per month per line
	911 Training surcharge	0.11%	\$.05 per month per line
	TOTAL TRANSACTION TAX	9.23%	
Missouri			
	State sales tax	4.23%	Access and intrastate
	Local sales taxes	3.57%	Avg. Jefferson City (3.5%) & Kansas City (3.63%)
	Local business license tax	6.50%	Jefferson City (7%); Kansas City (6% residential)
	TOTAL TRANSACTION TAX	14.29%	
Montana			
	Telecom excise tax	3.75%	Access, interstate and intrastate
	911 & E911 tax	2.13%	\$1.00 per number per month
	TDD tax	0.21%	\$.10 per number per month
	TOTAL TRANSACTION TAX	6.09%	
Nebraska			
	State sales tax	5.50%	Access & intrastate
	Local sales tax	1.50%	Lincoln (1.5%) and Omaha (1.5%)
	City business and occupation tax	6.13%	Avg. of Omaha (6.25%) & Lincoln (6.0%);
	State USF	4.37%	6.95% times FCC safe harbor
	Wireless 911	1.06%	Up to \$.70 per month eff. 7/1/2006; currently \$.50
	TRS	0.11%	\$.04 per month effective 7/1/2012
	TOTAL TRANSACTION TAX	18.67%	
Nevada			
	Local franchise / gross receipts	1.60%	5% of first \$15 intrastate revenues
	Local 911 tax	0.53%	up to \$.25 per month -- imposed by counties
	State deaf relay charge	0.06%	\$.07 per month
	Nevada USF	0.10%	0.155% times FCC safe harbor
	TOTAL TRANSACTION TAX	2.13%	
New Hampshire			
	Communication services tax	7.00%	Access, interstate and intrastate
	911 tax	1.21%	\$.57 per month
	TOTAL TRANSACTION TAX	8.21%	
New Jersey			
	State sales tax	7.00%	Increased to 7% effective 7/15/2006
	Wireless 911	1.91%	\$.90 per month effective 7/1/2004
	TOTAL TRANSACTION TAX	8.91%	

New Mexico		
State gross receipts (sales) tax	5.13%	5% intrastate; 4.25% interstate
City and county gross receipts tax	2.47%	Avg. Santa Fe (3.0625%) & Albuquerque (1.875%)
Wireless 911	1.09%	\$.51 per month per subscriber
TRS surcharge	0.33%	Intrastate charges
State USF	2.08%	3.3% times FCC safe harbor
TOTAL TRANSACTION TAX	11.08%	
New York		
State sales tax	4.00%	Intrastate and monthly access
Local sales taxes	4.25%	NYC (4.5%); Albany (4%)
MCTD sales tax	0.19%	NYC - .375%; Albany 0%
State excise tax (186e)	2.50%	mobile telecom service -- includes interstate
MCTD excise/surcharge (186e)	0.30%	NYC & surrounding counties - .6%; Albany 0%
Local utility gross receipts tax	1.49%	NYC -- 84% of 2.35%; Albany 1%
State wireless 911	2.55%	\$1.20 per month
Local wireless 911	0.64%	\$.30 per month -- NYC & most counties
MCTD surcharge (184)	0.07%	NYC .13%; Albany -- no tax
NY franchise tax (184)	0.38%	
School district utility sales tax	1.50%	Albany 3%, NYC no tax
TOTAL TRANSACTION TAX	17.85%	
North Carolina		
State sales tax	4.75%	Access, interstate and intrastate
Local sales tax	2.25%	Imposed statewide
Wireless 911	1.28%	Reduced from \$.70 to \$.60 on 7/1/10
TRS Charge	0.23%	\$.11 per month
TOTAL TRANSACTION TAX	8.51%	
North Dakota		
State sales tax	5.00%	Access and intrastate
Local sales taxes	1.25%	Avg Fargo (1.5%) & Bismarck (1%)
State gross receipts tax	2.50%	interstate and intrastate
Local 911 tax	2.13%	\$1.00 in Bismarck and Fargo
TRS	0.09%	Up to \$.11/mo -- currently \$.04
TOTAL TRANSACTION TAX	10.96%	
Ohio		
State sales tax	5.50%	Access, interstate and intrastate
Local sales taxes	1.75%	Columbus (1.25%) and Cleveland (2.25%)
Regulatory fee	0.13%	Intrastate Gross Revenues
State/local wireless 911	0.60%	\$.28 per month
TRS Charge	0.06%	\$.03 per month
TOTAL TRANSACTION TAX	8.04%	
Oklahoma		
State sales tax	4.50%	Access, interstate and intrastate
Local sales taxes	3.95%	Avg. of OK City (3.875%) & Tulsa (4.017%)
Local 911	1.06%	\$.50 per month in OK City and Tulsa
USF	1.98%	3.14% times FCC safe harbor
TOTAL TRANSACTION TAX	11.48%	

Oregon			
	Local utility tax	0.00%	No tax on wireless in Portland or Salem
	911 tax	1.60%	\$.75 per month
	RSPF Surcharge	0.26%	\$.12 per month
	TOTAL TRANSACTION TAX	1.85%	
Pennsylvania			
	State sales tax	6.00%	Access, interstate and intrastate
	State gross receipts tax	5.00%	Access, interstate and intrastate
	Local sales tax	1.00%	Philadelphia 2%; Harrisburg 0%
	Statewide wireless 911	2.13%	\$1.00 per month
	TOTAL TRANSACTION TAX	14.13%	
Rhode Island			
	State sales tax	7.00%	Access, interstate and intrastate
	Gross receipts tax	5.00%	Access, interstate and intrastate
	911 fee	2.13%	\$1.00 per month
	Additional wireless 911 fee	0.55%	\$.26 per month
	TOTAL TRANSACTION TAX	14.68%	
South Carolina			
	State sales tax	6.00%	Access, interstate and intrastate
	Local sales tax	1.75%	Avg. of Charleston (2.5%) and Columbia (1%)
	Municipal license tax	1.00%	Charleston (1.0%) and Columbia (1.0%)
	911 tax	1.32%	\$.62 / month
	TOTAL TRANSACTION TAX	10.07%	
South Dakota			
	State sales tax	4.00%	access, interstate and intrastate
	State gross receipts tax	4.00%	Wireless only effective 7/1/03
	local option sales tax	2.00%	Avg. of Pierre (2.0%) and Sioux Falls (2.0%)
	911 excise	2.66%	Statewide \$1.25 effective 7/1/2012
	TRS fee	0.32%	\$.15 per month
	PUC fee	0.15%	intrastate receipts
	TOTAL TRANSACTION TAX	13.13%	
Tennessee			
	State sales tax	7.00%	Access, interstate and intrastate
	Local sales tax	2.50%	Statewide local rate for intrastate
	911 tax	2.13%	\$1.00/month
	TOTAL TRANSACTION TAX	11.63%	
Texas			
	State sales tax	6.25%	Access, interstate and intrastate
	Local sales tax	2.00%	Austin (2.0%) & Houston (2.0%)
	Telecom Infrastructure Fund	0.00%	Repealed effective 10/1/2008
	Wireless 911 tax	1.06%	\$.50 per month per line
	Texas USF	2.70%	4.3% times FCC safe harbor
	911 Equalization surcharge	0.13%	\$.06 per line
	TOTAL TRANSACTION TAX	12.15%	

Utah			
	State sales tax	4.70%	Access and intrastate
	Local sales taxes	2.10%	Avg. of Salt Lake City (2.15%) and Provo (2.05%)
	Local utility wireless	3.50%	Levied at 3.5% max. in SLC and Provo
	Local 911	1.30%	\$.61/month
	State 911	0.17%	\$.08/month
	Poison Control	0.15%	\$.07/month
	State USF	0.63%	1.0% rate times FCC safe harbor
	State TRS	0.13%	\$.06 per line
	TOTAL TRANSACTION TAX	12.67%	
Vermont			
	State sales tax	6.00%	Access, interstate and intrastate
	Local sales tax	0.50%	Avg. of Montpelier (0%) and Burlington (1%)
	State USF (includes 911)	1.60%	
	TOTAL TRANSACTION TAX	8.10%	
Virginia			
	State communications sales tax	5.00%	
	Wireless 911	1.60%	\$.75/month
	TOTAL TRANSACTION TAX	6.60%	
Washington			
	State sales tax	6.50%	Access, interstate and intrastate
	Local sales taxes	2.60%	Avg. Olympia (2.2%) & Seattle (3.0%)
	B&O / Utility Franchise -- local	7.50%	Olympia (9%) & Seattle (6%) avg.
	911 -- state	0.53%	\$.25/month
	911 -- local	1.49%	\$.70/month;
	TOTAL TRANSACTION TAX	18.62%	
West Virginia			
	Wireless 911	6.38%	\$3.00 per month
	TOTAL TRANSACTION TAX	6.38%	
Wisconsin			
	State sales tax	5.00%	Access, intrastate and interstate
	Local sales tax	0.55%	Avg. of Milwaukee (0.6%) & Madison (0.5%)
	Wireless 911 fee	0.00%	Reduced from \$.92 per month to \$0 eff 7/1/08
	Police and Fire Protection Fee	1.60%	\$.75 per month effective 9/1/2009
	State USF	0.10%	0.158% times FCC safe harbor
	TOTAL TRANSACTION TAX	7.24%	
Wyoming			
	State sales tax	4.00%	access and intrastate
	Local sales tax	1.50%	Avg. of Cheyenne (2%) and Casper (1%)
	TRS	0.06%	Up to \$.25/month -- \$.03 currently
	USF	0.63%	1.0% times FCC safe harbor
	911 tax	1.60%	\$.75/ month -- levied locally at uniform rate
	TOTAL TRANSACTION TAX	7.79%	
ARPU=			
\$ 47.00			

FCC Safe Harbor =		
62.9%		
Sources:	Methodology: Committee on State Taxation, 50-State Study and Report on Telecommunications Taxation, May 2005. Updated July 2012 by Scott Mackey, KSE Partners LLP, using state statutes and regulations.	
	Average Revenue Per Unit (ARPU): \$47.00 per Cellular Telephone and Internet Association, June 2012.	