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HOUSE MEMORIAL 8

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Justine Fox-Young

A MEMORIAL

**REQUESTING THAT THE UNITED STATES SENATORS REPRESENTING NEW
MEXICO SUPPORT REPEAL OF THE FEDERAL EXCISE TAX ON
TELECOMMUNICATIONS.**

**WHEREAS, the federal excise tax on telecommunications was
enacted in 1898 for the purpose of funding the Spanish-American
war; and**

**WHEREAS, the tax was introduced as a "temporary" luxury
tax; and**

**WHEREAS, telephone service is no longer a luxury, but
rather a necessity for consumers at all income levels; and**

**WHEREAS, the federal excise tax is regressive, as low-
income Americans pay a higher percentage of their income for
telephone services than high-income Americans; and**

WHEREAS, telecommunications services are the

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1 infrastructure upon which new technologies, including the
2 internet, depend, and the telecommunications excise tax
3 discourages expansion of both the telephone infrastructure and
4 new technologies; and

5 WHEREAS, the federal excise tax on telecommunications
6 flows into the general fund, rather than being earmarked for a
7 specific purpose; and

8 WHEREAS, both houses of congress passed a repeal of the
9 federal excise tax on telecommunications in 2000, which was
10 vetoed by President William Jefferson Clinton;

11 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
12 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the United
13 States senators representing New Mexico be requested to support
14 the repeal of the federal excise tax on telecommunications; and

15 BE IT FURTHER RESOLVED that copies of the memorial be
16 transmitted to the United States senators representing New
17 Mexico.