

112TH CONGRESS  
1ST SESSION

# S. 1934

To amend the Internal Revenue Code of 1986 to repeal certain communications taxes, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

DECEMBER 1, 2011

Mr. HELLER 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 certain communications taxes, and for other purposes.

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. REPEAL OF EXCISE TAX ON TELEPHONE AND**  
4 **OTHER COMMUNICATIONS SERVICES.**

5 (a) IN GENERAL.—Chapter 33 of the Internal Rev-  
6 enue Code of 1986 is amended by striking subchapter B.

7 (b) CONFORMING AMENDMENTS.—

8 (1) Section 4293 of the Internal Revenue Code  
9 of 1986 is amended by striking “chapter 32 (other  
10 than the taxes imposed by sections 4064 and 4121)

1 and subchapter B of chapter 33,” and inserting  
2 “and chapter 32 (other than the taxes imposed by  
3 sections 4064 and 4121),”.

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

6 (3) Paragraph (2) of section 6302(e) of such  
7 Code is amended—

8 (A) by striking “imposed by—” and all  
9 that follows through “with respect to” and in-  
10 serting “imposed by section 4261 or 4271 with  
11 respect to”, and

12 (B) by striking “bills rendered or”.

13 (4) Subsection (e) of section 6302 of such Code  
14 is amended by striking “COMMUNICATIONS SERV-  
15 ICES AND” in the heading.

16 (5) Section 6415 of such Code is amended by  
17 striking “4251, 4261, or 4271” each place it ap-  
18 pears and inserting “4261 or 4271”.

19 (6) Paragraph (2) of section 7871(a) of such  
20 Code is amended by inserting “or” at the end of  
21 subparagraph (B), by striking subparagraph (C),  
22 and by redesignating subparagraph (D) as subpara-  
23 graph (C).

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

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

8   **SEC. 2. PERMANENT MORATORIUM ON INTERNET ACCESS**  
9                           **TAXES AND MULTIPLE AND DISCRIMINATORY**  
10                          **TAXES ON ELECTRONIC COMMERCE.**

11          (a) IN GENERAL.—Section 1101(a) of the Internet  
12          Tax Freedom Act (47 U.S.C. 151 note) is amended by  
13          striking “taxes during the period beginning November 1,  
14          2003, and ending November 1, 2014:” and inserting  
15          “taxes:”.

16          (b) EFFECTIVE DATE.—The amendment made by  
17          this section shall apply to taxes imposed after the date  
18          of the enactment of this Act.

19   **SEC. 3. PROHIBITION ON STATE TAXATION OF CERTAIN**  
20                           **TRAVEL SERVICES.**

21          (a) IN GENERAL.—Section 40116(b) of title 49,  
22          United States Code, is amended—

23                  (1) in paragraph (3), by striking “or”;

24                  (2) in paragraph (4), by striking the period and  
25          inserting “; or”; and

1 (3) by adding at the end the following:

2 “(5) amounts charged or retained for facili-  
3 tating the booking of air transportation, hotel ac-  
4 commodations, car rental or other travel-related  
5 services.”.

6 (b) EFFECTIVE DATE.—The amendments made by  
7 subsection (a) shall take effect on the date of the enact-  
8 ment of this Act and shall apply to any amount described  
9 in paragraph (5) of section 40116(b) of title 49, United  
10 States Code (as added by subsection (a)), that was not  
11 subject to a final assessment with respect to any tax, fee,  
12 head charge, or other charge described in such section be-  
13 fore the date of the enactment of this Act.

○