

Sales and Use Tax Chart: Taxability of Telecommunications Services in the State Sales Tax

Source: Bloomberg BNA

Jurisdiction	Taxation of Telecommunications Services
Alabama	<p>Telecommunication services are not subject to sales or use tax in Alabama. [Ala. Code §40-23-2(1); Alabama Revenue Ruling No. 02-002 (July 3, 2002).] However, intrastate and interstate telecommunication services are subject to the Alabama utility privilege and license tax. [Ala. Code §40-21-82(b).]</p> <p>BNA-SUTN AL 6.2.</p>
Alaska	<p>Alaska does not impose a state sales tax.</p> <p>BNA-SUTN AK 6.2.</p>
Arizona	<p>Under the telecommunications classification, the transaction privilege tax is imposed on telecommunications service providers engaged in the business of providing intrastate telecommunications services. [Ariz. Rev. Stat. Ann. §42-5064(A); Ariz. Rev. Stat. Ann. §42-5064(B).]</p> <p>“Intrastate telecommunications services” means transmitting signs, signals, writings, images, sounds, messages, data or other information of any nature by wire, radio waves, light waves or other electromagnetic means if the information transmitted originates and terminates in Arizona. [Ariz. Rev. Stat. Ann. §42-5064(E)(4).]</p> <p>BNA-SUTN AZ 6.2.</p>
Arkansas	<p>Telecommunications services are taxable in the state of Arkansas if the service originates or terminates in Arkansas and the service is charged to a service address in Arkansas. [Ark. Code Ann. §26-52-315(a)(1).] The sale of intrastate, interstate, and international telecommunications services are subject to tax. [Ark. Code Ann. §26-52-315(a)(1); Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Arkansas.] Also subject to tax is any installation, maintenance, or repair service of telecommunication equipment. [Ark. Code Ann. §26-52-315(a)(3); Ark. Regs. UT-12.]</p> <p>BNA-SUTN AR 6.2.</p>
California	<p>In general, telecommunication services and service plans are not subject to sales and use tax. [Cal. Rev. & Tax. Code §6007; Cal. Rev. & Tax. Code §6010.]</p> <p>BNA-SUTN CA 6.2.</p>
Colorado	<p>Intrastate telecommunications services are subject to tax in Colorado. [Colo. Rev. Stat. §39-26-104(1)(c).]</p> <p>Colorado taxes mobile telecommunications services provided to a customer whose place of primary use is located in Colorado if the service originates and terminates in the same state. [Colo. Rev. Stat. §39-26-104(1)(c)(I).] The state of origination and termination may be Colorado or any other state. [39 Colo. Code Regs. §26-104.1(c)(I)(c).]</p> <p>Where taxable and nontaxable telecommunications services are sold together for a single non-segregated price, only the portion of the price allocable to taxable intrastate telecommunications service is subject to tax.</p> <p>BNA-SUTN CO 6.2.</p>
Connecticut	<p>In general, telecommunication services are subject to tax in Connecticut when either of the following applies:• the service originates and terminates in the state; or</p> <ul style="list-style-type: none"> • the service either originates or terminates in the state and is charged to a telephone number, customer, or account located in the state or to the account of any transmission instrument in the state. [Conn. Gen. Stat. §12-407a(a).] <p>BNA-SUTN CT 6.2.</p>
Delaware	<p>Delaware does not impose a sales tax.</p> <p>BNA-SUTN DE 6.2.</p>

District of Columbia	<p>The sale of, or charges to subscribers for, local telephone service is subject to tax. However, this does not authorize any sales tax to be imposed on the installation of any instrument, wire, pole, switchboard, apparatus, or equipment attributed to the installation. [D.C. Code Ann. §47-2001(n)(1)(G)(i).]</p> <p>Prepaid Wireless Telecommunication Charges</p> <p>Effective Oct, 1, 2010, vendors that sell wireless telecommunication services must collect an additional 2 percent tax in addition to the 10 percent that is already collected. The 2 percent tax applies only to prepaid wireless services that allow a caller to dial 911 and must be separately stated on the invoice, receipt, or other similar document given to the consumer. [2010 Sales Tax Law Changes, OTR Tax Notice 2010-07, Aug. 12, 2010.]</p> <p>Sales of residential cable television service and commodities by a cable television company are not subject to tax. [D.C. Code Ann. §47-2005(26); D.C. Code Ann. §47-2206(2); D.C. Mun. Regs. tit. 9, §475.10.]</p> <p>BNA-SUTN DC 6.2.</p>
Florida	<p>Telecommunication services (other than prepaid calling arrangements) are exempt from both state and local sales and use tax but are subject to a communications services tax. [Fla. Stat. §202.12; Florida Tax Information Publication 00B06-01; see also Florida Technical Assistance Advisement 14A19-004 (July 8, 2014) (taxpayer operated a voice message relay and delivery system, and was determined not to be providing communications services but, instead consuming communications services in the provision of an information service. Taxpayer's sales were not subject to sales tax); Florida Technical Assistance Advisement 14A19-002 (virtual caller center software not subject to tax because the services and software originate and are being receive electronically by the customer from equipment located in a data center outside Florida); Florida Technical Assistance Advisement 14A19-005 (Dec. 19, 2014) (Rental of digital video and music fall within the definition of "video services" as pay-per-view or digital video services subject to the communications services tax when charged to a Florida service address, whereas sales of digital video and music are nontaxable information services subject neither to communications service taxes nor sales and use taxes).] Sales tax is due on prepaid calling arrangements for telecommunications services. Effective July 1, 2014, this includes prepaid mobile telecommunications services where a purchaser's right to services is dependent on the continued purchase of expendable units of usage, time, money, or a combination of these, or other means of measurement. [Fla. Stat. §202.11(9)(b), as enacted by 2014 Fla. H.B. 5601,</p>
Georgia	<p>The sale of local telephone services and cellular telephone services, when made for purposes other than resale, is considered a retail sale subject to sales tax. Sales tax is also imposed on the amount of guaranteed charges for semi-public coin-box telephone services. However, no tax is imposed on other communication services. [Ga. Code Ann. §48-8-2(31)(A); Ga. Comp. R. & Regs. r. 560-12-2-.24(1); Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Georgia.]</p> <p>BNA-SUTN GA 6.2.</p>
Hawaii	<p>The general excise tax is imposed on the gross receipts received from interstate telecommunication services at the rate of 4 percent. [Haw Rev. Stat. §237-13(6)(D); Haw. Regs. §18-237-13-06.16(c).] The general excise tax does not apply to income received from providing intrastate telecommunication services. Intrastate services are subject to the public service company tax. [Haw. Rev. Stat. §239-5; Haw. Rev. Stat. §239-2(2); Haw. Rev. Stat. §269-1.]</p> <p>BNA-SUTN HI 6.2.</p>
Idaho	<p>Sales tax is not imposed upon separately stated fees for access charges, toll charges, call waiting, call forwarding, message recording, and similar charges to customers. [Idaho Regs. §35.01.02.031.02.b; Idaho Regs. §35.01.02.031.03.d.]</p> <p>BNA-SUTN ID 6.2.</p>
Illinois	<p>Telecommunication services in Illinois are subject to the Telecommunications Excise Tax under 35 ILCS 630/1 rather than sales and use tax. The tax imposed is at a rate of 7 percent for the privilege of a person located in Illinois originating or receiving telecommunications in Illinois. [35 ILCS 630/3; 35 ILCS 630/4.]</p> <p>Charges for providing cable television are not subject to the retailers' occupation tax or the service occupation tax as long as no property is transferred along with the service. [Illinois General Information Letter ST 98-0258-GIL (Aug. 1998).]</p> <p>BNA-SUTN IL 6.2.</p>

Indiana	<p>Any person furnishing or providing intrastate telecommunication services is a retailer making a retail transaction that is subject to sales tax when receiving gross retail income from billings or statements rendered to customers. [Ind. Code Ann. §6-2.5-4-6(a).]</p> <p>Cable Television Service</p> <p>Cable television or radio service or satellite television or radio service that terminates in Indiana is taxable. [Ind. Code Ann. §6-2.5-4-11.] However, a person is not a retail merchant making a retail transaction when the person provides, installs, constructs, services, or removes tangible personal property that is used in connection with the furnishing of cable television or radio service or satellite or radio television service. [Ind. Code Ann. §6-2.5-4-11.]</p> <p>Internet access is exempt from sales and use tax in Indiana. [Ind. Code Ann. §6-2.5-5-13; Ind. Code Ann. §6-2.5-1-27.5; as added by 2015 Ind. S.B. 80, effective April 23, 2015.]</p> <p>BNA-SUTN IN 6.2.</p>
Iowa	<p>Intrastate telecommunications services and ancillary services are subject to sales or use tax. [Iowa Admin. Code r. 701-18.20(7)(c); see also Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Iowa.] Interstate and international services are not subject to tax.</p> <p>BNA-SUTN IA 6.2.</p>
Kansas	<p>Telecommunications services sourced to Kansas in accordance with Kan. Stat. Ann. §79-3673 are taxable. [Kan. Stat. Ann. §79-3603(b); Kan. Stat. Ann. §79-3703; see also Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Kansas; Kansas Information Guide EDU-65.]</p> <p>The sale of ancillary services is also subject to tax. [Kan. Stat. Ann. §79-3603(b); Kan. Stat. Ann. §79-3704(d); see also Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Kansas.]</p> <p>Cable, community antennae, and other subscription radio and television services are subject to tax in Kansas. [Kan. Stat. Ann. §79-3603(k); Kan. Stat. Ann. §79-3703.]</p> <p>BNA-SUTN KS 6.2.</p>
Kentucky	<p>Kentucky imposes sales and use tax upon intrastate, interstate, and international communications services. However, the state does not impose sales and use tax upon the furnishing of pay telephone services. [Ky. Rev. Stat. Ann. §139.200(2)(e).]</p> <p>Kentucky imposes sales and use tax upon the furnishing of prepaid calling and wireless services. [Ky. Rev. Stat. Ann. §139.200(2)(d).]</p> <p>Kentucky imposes a multichannel video programming excise tax on the purchase at retail of any multichannel video programming. The tax is imposed at a rate of 3 percent, [Ky. Rev. Stat. Ann. §136.606(1), (2).] and must be collected by the distributor on the following services:</p> <ul style="list-style-type: none"> • cable television; • satellite television; and • internet protocol television. [Ky. Rev. Stat. Ann. §136.602(8).] <p>BNA-SUTN KY 6.2.</p>
Louisiana	<p>Louisiana imposes sales and use tax on telecommunications services. [La. Rev. Stat. Ann. §47:301(14)(i).] However, local taxing jurisdictions are prohibited from imposing a sales and use tax on telecommunications services. [La. Rev. Stat. Ann. §47:337.10(H)(1).]</p> <p>BNA-SUTN LA 6.2.</p>
Maine	<p>Telecommunication services are subject to the service provider tax. [Me. Rev. Stat. Ann. §2552(1); Maine Instructional Bulletin No. 56.]</p> <p>The tax applies only to intrastate telecommunications services. The sales of interstate and international telecommunications services are exempt from the service provider tax. [Me. Rev. Stat. Ann. §2557(33).]</p> <p>BNA-SUTN ME 6.2.</p>

Maryland	<p>Taxable telecommunications services include: • cellular telephone or other mobile telecommunications service; [Md. Code Ann. Tax-Gen. §11-101(m)(4).]</p> <ul style="list-style-type: none"> • “900,” “976,” “915,” and other “900”-type telecommunications service; [Md. Code Ann. Tax-Gen. §11-101(m)(5).] • custom calling service provided in connection with basic telephone service; [Md. Code Ann. Tax-Gen. §11-101(m)(6).] • telephone answering service; [Md. Code Ann. Tax-Gen. §11-101(m)(7).] or • prepaid telephone calling arrangement. [Md. Code Ann. Tax-Gen. §11-101(m)(12).] <p>Sales and use tax does not apply to the sale of a communication service, not listed as a taxable service, rendered by a person whose charge for the communication service is subject to the federal excise tax under Internal Revenue Code §4251. [Md. Code Ann. Tax-Gen. §11-221(a)(2).] Thus, Maryland does not subject interstate telecommunications to Maryland sales tax.</p> <p>BNA-SUTN MD 6.2.</p>
Massachusetts	<p>The sales tax on telecommunications services applies to the retail sale or use of telecommunications services in Massachusetts, by individuals or businesses. Massachusetts taxes intrastate, interstate, and international telecommunications services that either originate or terminate and are billed to a service address in the state. Companies with services originating outside of Massachusetts, like satellite companies with “uplink centers” that transmit broadcasting signals, are also subject to tax. [Mass. Regs. Code tit. 830, §64H.1.6(3) and (4); Massachusetts Letter Ruling 12-6 (May 21, 2012); Massachusetts Technical Information Release TIR 05-8, (VII)(A) (July 14, 2005); DIRECTV, LLC v. Massachusetts Dept. of Rev., 2015 BL 39865, Mass. Sup. Jud. Ct., No. SJC-11658 25 N.E. 3d 258 Feb. 18, 2015, (excise tax imposed on a satellite company was not intended to discriminate against commerce, but rather was a part of an effort to increase the amount of tax revenue collected from the video programming industry).]</p> <p>BNA-SUTN MA 6.2.</p>
Michigan	<p>Michigan imposes sales and use tax on telecommunications services if the service originates or terminates in Michigan and the service is charged to a service address in Michigan. [Mich. Comp. Laws §205.93a(1)(a); Mich. Comp. Laws §205.93a(1)(c).]</p> <p>BNA-SUTN MI 6.2.</p>
Minnesota	<p>Charges for telecommunications intrastate, interstate and international services, ancillary services associated with telecommunication services, cable television services, direct satellite services, and ring tones are subject to tax. [Minn. Stat. §297A.61(3)(i).] Note, that ring tones were taxable prior to Oct. 1, 2011, not taxable from Oct. 1, 2011, through June 30, 2013, and taxable for sales made after June 30, 2013. [2013 Minn. H.F. 677 (provisions regarding ringtones effective for sales after June 30, 2013); Minnesota Sales Tax Fact Sheet 119.]</p> <p>“Telecommunications services” is defined as the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between, or among points. [Minn. Stat. §297A.61(24)(a).] Telecommunications service includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing, without regard to whether such service is referred to as voice over internet protocol services or is classified by the Federal Communications Commission as enhanced or value-added. [Minn. Stat. §297A.61(24)(b).]</p> <p>Charges for cable television services are taxable. [Minn. Stat. §297A.61(3)(i).] “Cable television services” are the transmission of video, audio, or other programming service to purchasers in Minnesota. The term includes point to multi-point distribution services through which programming is transmitted or broadcast by microwave or other equipment directly to the subscriber’s premises. The term also includes basic, extended, premium, pay-per-view, digital, and music</p>
Mississippi	<p>Mississippi imposes tax at the rate of 7 percent upon the gross receipts from all charges for intrastate, interstate, and international telecommunications services. [Miss. Code Ann. §27-65-19(1)(e)(i)1-3.]</p> <p>A 7 percent tax is also imposed upon the gross receipts derived from charges for ancillary services. [Miss. Code Ann. §27-65-19(1)(e)(i)4.]</p> <p>Mississippi makes those individuals engaged in the business of cable television systems, subscription television service, and other similar business activities liable for tax at the regular rate on the gross income derived from such television services. Taxable services include, but are not limited to, basic cable fee, installation and connection charges, signal descrambling fees, and the sales of tangible personal property. [Miss. Code Ann. §27-65-23; Miss. Regs. §35.IV.06.05.100.]</p> <p>BNA-SUTN MS 6.2.</p>

Missouri	<p>The provision of intrastate local and long distance telecommunications service, as well as telegraph service is subject to sales tax in Missouri. [Mo. Rev. Stat. §144.020.1(4); Mo. Rev. Stat. §144.020.1(5); Leathers v. Medlock, 499 U.S. 439, 111 S. Ct. 1438 (1991); Goldberg v. Sweet, 488 U.S. 252 (1989); Sw. Bell Tel. Co. v. Missouri Dir. of Rev., 78 S.W.3d 763 (Mo. 2002); Missouri Letter LR5980; Missouri Letter LR5715.]</p> <p>BNA-SUTN MO 6.2.</p>
Montana	<p>Montana does not impose a sales tax.</p> <p>BNA-SUTN MT 6.2.</p>
Nebraska	<p>The furnishing of telephone communication services, which includes intrastate telecommunications services and ancillary services, is subject to tax. [Nebraska Rev. Stat. §77-2701.16(2)(a)(i).] However, interstate and international telecommunications are exempt from taxation. [Neb. Admin. R. & Regs. 1-065.06.]</p> <p>Providers of community or county antenna television service through a system or wires, cables, and other conduits, as well as providers of satellite programming are required to collect and remit sales tax on the gross receipts of such services. [Nebraska Rev. Stat. §77-2701.16(2); Neb. Admin R. & Regs. 1-081.01.] Charges for installing cable connections are subject to tax regardless of whether the services are provided by the cable franchise or an independent party. [Neb. Admin. R. & Regs. 1-007.01D;Cox Cable of Omaha v. Nebraska Dept. of Revenue, 578 N.W.2d 423 (1998).]</p> <p>BNA-SUTN NE 6.2.</p>
Nevada	<p>Nevada does not impose the sales or use tax upon telecommunication services, including all intrastate and interstate services, as well as all international services; all cellular phone services; coin and pay telephone services; and all 800 and 900 services. [Nev. Rev. Stat. tit. 32, §360B.095; Nev. Rev. Stat. tit. 32, §360B.100; Nev. Rev. Stat. tit. 32, §372.085; Nev. Rev. Stat. tit. 32, §372.105.]</p> <p>BNA-SUTN NV 6.2.</p>
New Hampshire	<p>New Hampshire does not impose a sales tax.</p> <p>BNA-SUTN NH 6.2.</p>
New Jersey	<p>Receipts from the sale, except for resale, of intrastate, interstate, and international telecommunications services, and ancillary services, sourced to New Jersey under N.J. Rev. Stat. §54:32B-3.4 are subject to tax. [N.J. Rev. Stat. §54:32B-3(f)(1); see New Jersey Sales and Use Tax Bulletin SU-9.]</p> <p>“Telecommunications service” means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. [N.J. Rev. Stat. §54:32B-2(cc).]</p> <p>“Telecommunications service” includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice over Internet protocol services or is classified by the Federal Communications Commission as enhanced or value added. [N.J. Rev. Stat. §54:32B-2(cc); see also RCN Telecom Serv. Inc. v. New Jersey Div. of Tax’n, 23 N.J. Tax 520 (N.J. Tax Ct. Sept. 10, 2007) (a company that provided cable television program services to subscribers was exempt from sales and use tax on its purchases of set top boxes because the boxes were used directly and primarily in the transmission of cable television signals); New Jersey Technical Bulletin TB-51R; TAS Lakewood Inc. v. New Jersey Div. of Tax’n, 19 N.J. Tax 131 (N.J. Tax Ct. April 18, 2000) (tax court affirms sales and use tax on pagers and paging services); New Jersey Technical Bulletin TB-41 (exempting the sale of advertising space in a telecommunications user or provider directory, such as the Yellow Pages).]</p>
New Mexico	<p>Receipts from selling or providing interstate telecommunications services are exempt from gross receipts tax. [N.M. Stat. Ann. §7-9-38.1.] These services are, however, subject to the interstate telecommunications gross receipts tax. [New Mexico Bulletin FYI-403.]</p> <p>BNA-SUTN NM 6.2.</p>
New York	<p>New York imposes sales and use tax on sales of intrastate telephone services, telegraph services, and telephone answering services. [N.Y. Tax Law §1105(b); N.Y. Comp. Codes R. & Regs. tit. 20, §527.2(a)(1)(ii); N.Y. Comp. Codes R. & Regs. tit. 20, §527.2(d).]</p> <p>BNA-SUTN NY 6.2.</p>
New York City	<p>New York City generally imposes tax on the same sales and services taxed at the state level. [N.Y. Tax Law §1210(a)(1).]</p> <p>New York state imposes sales and use tax on sales, other than for resale, of intrastate telephone and telegraph service, and telephone answering services. [N.Y. Tax Law §1105(b)(1)(B); N.Y. Tax Law §1110(a)(E); N.Y. Tax Law §1110(a)(G); N.Y. Comp. Codes R. & Regs. tit. 20, §527.2(a)(ii).]</p> <p>BNA-SUTN NYC 6.2.</p>

North Carolina	<p>Telecommunications service is defined by statute to include the electronic transmission, conveyance, or routing of voice, data, audio, video or any other information or signals to a point, or between or among points. Telecommunication service includes any transmission, conveyance, or routing in which a computer processing application is used to act on the form, code, or protocol of the content for purposes of the transmission, conveyance, or routing, regardless of whether it is referred to as voice-over Internet protocol or the Federal Communications Commission classifies it as enhanced or value added." [N.C. Gen. Stat. §105-164.3(48).]</p> <p>BNA-SUTN NC 6.2.</p>
North Dakota	<p>The gross receipts derived from the sale of all communication services, including telecommunications services and ancillary services, provided in the state are subject to sales tax so long as the communication service originates and terminates within the state's borders, regardless of where the billing for the service is made. [N.D. Cent. Code §57-39.2-02.1(1)(b); N.D. Admin. Code §81-04.1-04-41.1.] Interstate and international communications services are not subject to tax. [N.D. Admin. Code §81-04.1-04-41.1(4)(c).]</p> <p>BNA-SUTN ND 6.2.</p>
Ohio	<p>Ohio law imposes sales and use tax upon telecommunication services, including prepaid calling services, prepaid wireless calling services, and ancillary services, but not including coin-operated telephone service. [Ohio Rev. Code Ann. §5739.01(B)(3)(f).]</p> <p>BNA-SUTN OH 6.2.</p>
Oklahoma	<p>Oklahoma imposes sales tax upon intrastate, interstate, and international telecommunication services sourced within the state; [Okla. Admin. Code §710:65-19-330(b)(1).] ancillary services, which are services associated with or incidental to the provision of telecommunication services, including but not limited to detailed telecommunications billing, directory assistance, vertical services, and voice mail services; [Okla. Admin. Code §710:65-19-330(b)(2); Okla. Admin. Code §710:65-19-330(a)(2).] and telecommunications nonrecurring charges, which are the amount billed for installation, connection, charge, or initiation of telecommunication services received by a customer. [Okla. Admin. Code §710:65-19-330(b)(3).]</p> <p>Oklahoma imposes sales tax upon telecommunication services sourced to the state. [Okla. Stat. Ann. tit. 68, §1354(A)(4).] Telecommunications do not include radio and television audio and video programming, including, but not limited to cable television service and cable television services are not separately enumerated as taxable services. Thus, cable television is not subject to sales tax in Oklahoma. [Okla. Stat. Ann. tit. 68, §1354(A)(4)(a)(7).]</p> <p>BNA-SUTN OK 6.2.</p>
Oregon	<p>Oregon does not impose a sales tax.</p> <p>BNA-SUTN OR 6.2.</p>
Pennsylvania	<p>Intrastate and interstate telecommunication services that originate or terminate in Pennsylvania and are billed to a service address in Pennsylvania, including prepaid telecommunications, are generally subject to tax as "tangible personal property." [72 Pa. Stat. §7201(m); 72 Pa. Stat. §7202(a).]</p> <p>Premium Cable Service: Premium cable service (or video programming service) is treated as taxable tangible personal property in Pennsylvania. [72 Pa. Stat. §7201(m); 72 Pa. Stat. §7202(a) & (b).]</p> <p>Non-premium Cable Service: Non-premium cable service is generally not subject to tax. [See 72 Pa. Stat. §7201(m) (omitting non-premium cable service from the definition of "tangible personal property"); 72 Pa. Stat. §7201(k) & (o).] However, where an amount is charged for premium cable service together with non-premium cable service, the entire amount so charged is subject to tax unless the amount charged for non-premium cable service is separately stated. If the amount charged for non-premium cable service is separately stated, only the amount charged for premium cable service is taxable. [72 Pa. Stat. §7201(g)(7); 61 Pa. Code §60.9(c)(2).]</p> <p>BNA-SUTN PA 6.2.</p>
Rhode Island	<p>Rhode Island imposes the sales and use tax upon the furnishing of intrastate, interstate, and international telecommunication services sourced within the state. The state also imposes the sales and use tax upon the sale or furnishing of all ancillary services, [R.I. Gen. Laws §44-18-7(9).] those services which are associated with or incidental to providing telecommunication services. [R.I. Regs. §SU 09-129 Rule 5 (Ancillary Services).]</p> <p>BNA-SUTN RI 6.2.</p>

South Carolina	<p>South Carolina law imposes sales tax upon telecommunication services upon the gross receipts derived from charges for the ways or means for the transmission of voice or messages. Included within the tax base are the charges for use of the equipment furnished to the service subscriber by the telecommunications service provider. [117 S.C. Code Regs. §329.1; see also Palmettonet, Inc. v. South Carolina Tax Comn., 456 S.E.2d 385 (S.C. 1995) (transaction between taxpayer and certain carrier companies for purpose of providing telecommunication services not subject to tax because it constituted sale of services, not lease of tangible personal property).]</p> <p>Prepaid wireless calling arrangements are subject to sales or use tax. [117 S.C. Code Regs. §329.2.]</p> <p>Cable television services are considered taxable telecommunication services in the State of South Carolina. [S.C. Code Ann. §12-36-60; S.C. Code Ann. §12-36-910(B)(3); S.C. Code Ann. §12-36-1310(B)(3); South Carolina Revenue Ruling No. 06-8 (Nov. 16, 2006).]</p> <p>BNA-SUTN SC 6.2.</p>
South Dakota	<p>Communication services are subject to tax. [S.D. Codified Laws Ann. §10-45-5.2.] The sales tax is imposed upon any intrastate, interstate, and international telecommunications service that originates or terminates in South Dakota and is billed to a service address located within the state. [S.D. Codified Laws Ann. §10-45-5.2; South Dakota Tax Facts—Telecommunication Services.]</p> <p>Gross receipts of cable television companies that are derived from and necessarily incident to their operations are subject to tax. [Opinion No. 74-28, S.D. Atty. Gen. (July 1974).]</p> <p>BNA-SUTN SD 6.2.</p>
Tennessee	<p>The sale of intrastate, interstate, or international telecommunication services is generally subject to the 7 percent state sales tax rate if the service originates or terminates in Tennessee and the service is billed to a service address or place of primary use in Tennessee. Certain local rates may also apply. [Tenn. Code Ann. §67-6-205(c)(3); see also Tennessee Notice No. 05-20.] Ancillary telecommunication services are also subject to sales tax. [Tenn. Code Ann. §67-6-205(c)(9).]</p> <p>BNA-SUTN TN 6.2.</p>
Texas	<p>Texas imposes sales and use tax on telecommunication services. [Tex. Tax Code Ann. §151.0101(a)(6); see also Texas Tax Publication 94-132 (sales tax on telecommunications services); Texas Tax Publication 96-259 (taxable services generally).] The total amount charged is subject to sales tax. [Tex. Admin. Code §3.344(b).]</p> <p>Texas imposes sales and use tax on cable television services and bundled cable services. [Tex. Tax Code Ann. §151.0101(a)(2); Tex. Admin. Code §3.313(b); see also Texas Tax Publication 96-259.]</p> <p>Texas imposes sales and use tax on Internet access services. [Tex. Tax Code Ann. §151.0101(a)(16).] However, Texas exempts from sales tax the first \$25 of a monthly charge for Internet access. Tax is due on any amount over \$25. [Tex. Admin. Code §3.366(b); see also Texas Tax Publication 96-259.] The exemption applies without regard to whether the Internet access service is bundled with another taxable or nontaxable service. [Tex. Tax Code Ann. §151.325(a).]</p> <p>BNA-SUTN TX 6.2.</p>
Utah	<p>Sales and use tax applies to telecommunication services that originate and terminate within the borders of Utah, as well as to mobile telecommunication services that are sourced to the state in accordance with the Mobile Telecommunications Sourcing Act. [Utah Code Ann. §59-12-103(1)(b)(i); Utah Code Ann. §59-12-103(1)(b)(ii); Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Utah.]</p> <p>Cable and satellite television services are subject to sales or use tax in Utah at a rate of 6.25 percent. [Utah Code Ann. §59-12-103.] The service provider is required to collect, report, and remit the sales tax to the state. [Utah Code Ann. §59-12-103.]</p> <p>BNA-SUTN UT 6.2.</p>
Vermont	<p>The general rule in Vermont is that telecommunication services, defined as the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points, are subject to sales or use tax.</p> <p>Cable television is subject to sales and use tax as an amusement charge. This charge includes the installation and connection fees. [Vt. Code R. §1.9771(4)-1. See Mountain Cable Co. v. Department of Taxes, 721 A.2d 507 (1998).]</p> <p>BNA-SUTN VT 6.2.</p>
Virginia	<p>Generally, Virginia does not subject telecommunications services to sales and use tax. [Va. Code Ann. §58.1-609.5; see also Virginia Ruling of the Commissioner PD 95-40 (March 17, 1995).] However, Virginia imposes a 5 percent communications sales and use tax on customers of Virginia-sourced communication services. [Va. Code Ann. §58.1-648(A).]</p> <p>BNA-SUTN VA 6.2.</p>

Washington	<p>Washington generally imposes sales tax on sales of competitive telephone services, telecommunications services, and ancillary services to residential and business customers. [Wash. Rev. Code §82.04.050(5); Wash. Rev. Code §82.04.060; Wash. Admin. Code §458-20-245; Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Washington.]</p> <p>Washington taxes interstate telecommunications that originate or terminate in the state. Sales tax does not apply to network telephone services that are merely billed to a telephone, or similar telecommunications equipment, in Washington if the service does not originate from Washington or was not received on equipment located in Washington. [Wash. Rev. Code §82.32.520; Wash. Admin. Code §458-20-245.]</p> <p>Mobile telecommunications charges are taxable in the locality encompassing the street address of the customer's place of primary use. [Wash. Rev. Code §82.08.066; Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, Washington.]</p> <p>BNA-SUTN WA 6.2.</p>
West Virginia	<p>Telecommunication services are generally exempt from sales and use tax in West Virginia. [W. Va. Code §11-15-9(b)(2); see Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, West Virginia.]</p> <p>Intrastate, interstate, and international telecommunications services are exempt from sales and use taxation. [W. Va. Code §11-15-9(b)(2); see Streamlined Sales Tax Governing Board, Section 328 Taxability Matrix, West Virginia.]</p> <p>BNA-SUTN WV 6.2.</p>
Wisconsin	<p>Telecommunications services are taxable if the service originates or terminates in Wisconsin and the service is charged to a service address in Wisconsin, regardless of the location where that charge is billed or paid. [Wis. Admin. Code § Tax 11.66(2)(a)(1)–(2).] The sale of intrastate, interstate, and international telecommunications services, except interstate 800 services, are taxable. [Wis. Stat. §77.52(2)(a)(5m).]</p> <p>Cable television services and video services, including installation charges, are taxable. [Wis. Stat. §77.52(2)(a)(12).]</p> <p>BNA-SUTN WI 6.2.</p>
Wyoming	<p>Wyoming imposes a sales tax on the price paid for intrastate telecommunications services including the consideration paid for the sale, rental or leasing of any equipment or ancillary services that are incidental to it. The sales tax is also imposed on the sales price paid for intrastate calls that originate and terminate in a single state and are billed to a customer with a place of primary use in Wyoming from mobile telecommunications services according to the Mobile Telecommunications Sourcing Act. [Wyo. Stat. §39-15-103(a)(i)(C).] Interstate and international telecommunications services are not subject to tax in the state.</p> <p>BNA-SUTN WY 6.2.</p>