

Revenue Information Bulletin No. 16-022

April 7, 2016
Sales and Use Tax

Tax on Telecommunications Services

Effective April 1, 2016, Act 9 of the 2016 First Extraordinary Session of the Louisiana Legislature retains the rate of tax levied on interstate telecommunications services and international telecommunications services at two percent of the amounts paid or charged for the services.

Effective April 1, 2016, Act 26 of the 2016 First Extraordinary Session of the Louisiana Legislature levies an additional tax on telecommunications services at the rate of one percent of the amounts paid or charged for the services until June 30, 2018. After June 30, 2018, the additional one percent rate is no longer levied on telecommunications services.

Thus, beginning on April 1, 2016, intrastate telecommunications services is taxed at four percent of the amounts paid or charged for the services, and interstate and international telecommunications services is taxed at three percent of the amounts paid or charged for the services. On July 1, 2018, the tax rate on intrastate telecommunications services is reduced to three percent of the amounts paid or charged for the services, and the tax rate on interstate telecommunications services and international telecommunications services is reduced to two percent of the amounts paid or charged for the services.

Questions concerning this matter may be directed to the Policy Services Division at (225) 219-2780.

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Secretary

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