

ASSEMBLY BILL

No. 1575

Introduced by Assembly Member Kevin Murray

February 24, 1995

An act to add Section 495.6 to the Public Utilities Code, relating to telephone service taxes.

LEGISLATIVE COUNSEL'S DIGEST

AB 1575, as introduced, K. Murray. Telephone services tax: report.

Existing law authorizes counties to impose a utility user tax on the consumption of telephone services in the unincorporated area of the county. Under existing law, charter cities, if authorized by their charter, may impose a utility tax.

The bill would impose a state-mandated local program by requiring any city, county, or city and county that imposes any tax on the consumption of telephone services to provide the Public Utilities Commission the criteria upon which the tax is based and the tax rate.

The bill would also require the commission to provide that information to the telephone companies that have been granted a certificate of public convenience and necessity to provide telecommunications services in this state.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do

not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 495.6 is added to the Public
2 Utilities Code, to read:

3 495.6. (a) Any city, county, or city and county that
4 levies a utility user tax on the consumption of telephone
5 services, including, but not limited to, the tax authorized
6 by Section 7284.2 of the Revenue and Taxation Code, shall
7 provide to the commission the criteria upon which the tax
8 is based and the rate of the tax.

9 (b) The commission shall establish the periodic
10 frequency at which information required by subdivision
11 (a) shall be submitted to the commission.

12 (c) The commission shall provide information
13 received pursuant to subdivision (a) to those telephone
14 companies that have been granted a certificate of public
15 convenience and necessity to provide telephone services
16 in this state.

17 SEC. 2. Notwithstanding Section 17610 of the
18 Government Code, if the Commission on State Mandates
19 determines that this act contains costs mandated by the
20 state, reimbursement to local agencies and school
21 districts for those costs shall be made pursuant to Part 7
22 (commencing with Section 17500) of Division 4 of Title
23 2 of the Government Code. If the statewide cost of the
24 claim for reimbursement does not exceed one million
25 dollars (\$1,000,000), reimbursement shall be made from
26 the State Mandates Claims Fund.

27 Notwithstanding Section 17580 of the Government
28 Code, unless otherwise specified, the provisions of this act



1 shall become operative on the same date that the act
2 takes effect pursuant to the California Constitution.

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