Emergency Response Fee and Telephone Users Tax

THE WAY IT IS NOW:

The City imposes an Emergency Response Fee on telephone access lines. Revenue from this

fee is deposited in the 911 Emergency Response Fund and may be used only for costs to

operate and improve the City's 911 system.

Since 1970, the City has collected a utility users tax on charges for telephone communication

services (Telephone Users Tax). The Telephone Users Tax exempts charges to residential

customers for wireline service. The Telephone Users Tax also includes certain exemptions

listed in the Federal Excise Tax.

THE PROPOSAL:

Proposition ___ would replace the Emergency Response Fee with a general tax at the same

rates and with the same exemptions as that fee. This tax would be known as the Access Line

Tax. Revenue from the Access Line Tax would go to the City's General Fund and could be

used for City purposes, including police, fire, and emergency services.

Proposition ___ would also update and revise the Telephone Users Tax to:

- Define "telephone communications services" to include current and future technologies for telephone communications, including voice over internet protocol services

- Give examples of the types of charges subject to this tax, including charges for conference calls, voicemail, and call waiting; activation, termination, and late payment fees; and universal service charges

- List each of the specific exemptions in the Federal Excise Tax and remove the general reference to that tax.

Proposition ___ would continue the Telephone Users Tax exemption for residential wireline service.

Proposition ___ would also ratify and approve the City's past collection of the Telephone Users Tax and the Emergency Response Fee.

A "YES" VOTE MEANS: If you vote "yes," you want the City to replace the Emergency

Response Fee with a general tax at the same rates and with the same exceptions, and to

update the Telephone Users Tax.

A "NO" VOTE MEANS: If you vote "no," you do not want the City to make these changes.

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