

## HOUSE BILL NO. HB0097

Taxation of broadband internet infrastructure.

Sponsored by: Representative(s) Lindholm, Blackburn, Blake, Clausen, Crank, Olsen, Sommers, Walters and Western and Senator(s) Driskill and Hicks

A BILL

for

1 AN ACT relating to sales and use tax; providing an exemption  
2 from sales and use taxes for broadband internet service  
3 infrastructure as specified; requiring reports; specifying a  
4 sunset date; and providing for an effective date.

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6 *Be It Enacted by the Legislature of the State of Wyoming:*

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8       **Section 1.** W.S. 39-15-105(a)(viii) by creating a new  
9 subparagraph (U) and 39-16-105(a)(viii) by creating a new  
10 subparagraph (K) are amended to read:

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12       **39-15-105. Exemptions.**

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14       (a) The following sales or leases are exempt from the  
15 excise tax imposed by this article:

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(viii) For the purpose of exempting sales of services and tangible personal property as an economic incentive, the following are exempt:

(U) Sales of equipment to a telecommunications service provider, video programming service provider or provider of internet access used to provide broadband internet service in an unserved area, as defined in W.S. 9-12-1501(e), under this subparagraph. All reporting requirements contained in W.S. 39-15-105(b) shall apply to this subparagraph, except that the report otherwise provided to the joint revenue interim committee shall be provided to the joint corporations, elections and political subdivisions interim committee. The following shall apply:

(I) A telecommunications service provider, video programming service provider or provider of internet access may allocate the sales price of equipment using any reasonable method, instead of specific geographic accounting, if the method is consistently used by the provider and supported by verifiable data that reasonably reflects the location where the equipment is used;

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(II) As used in this subparagraph:

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(1) "Broadband internet service"

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means high speed internet access that in residential areas is

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capable of download speeds of at least twenty-five (25)

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megabits per second and upload speeds of at least three (3)

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megabits per second or, in business corridors, as defined by

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rule of the Wyoming business council under W.S. 9-12-1501(g),

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is capable of download speeds of at least one (1) gigabit per

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second and upload speeds of at least one hundred (100)

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megabits per second;

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(2) "Equipment" means tangible

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objects which are integral to the broadband internet service

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infrastructure of a telecommunications service provider,

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video programming service provider or provider of internet

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access and shall exclude equipment sold or leased to a

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customer of a provider;

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(3) "Provider of internet access"

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means a person, or any agent, contractor or subcontractor of

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the person, who in the course of business, provides a service

1 that enables users to access content, information, electronic  
2 mail or other services offered over the internet and may also  
3 include access to proprietary content, information and other  
4 services as part of a package of services offered to consumers  
5 and does not include telecommunications services, except to  
6 the extent such services are purchased, used or sold by a  
7 provider of internet access to provide internet access;

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9 (4) "Telecommunications service  
10 provider" means a person, or any agent, contractor or  
11 subcontractor of the person, who in the course of business,  
12 provides telecommunications services, as defined in W.S.  
13 39-15-101(a)(xxxix)(U);

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15 (5) "Video programming service  
16 provider" means a person, or any agent, contractor or  
17 subcontractor of the person, who in the course of business,  
18 provides programming from, or comparable to, a television  
19 broadcast station, including cable service as defined in 47  
20 U.S.C. § 522(6).

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22 (III) This subparagraph is repealed  
23 effective July 1, 2024.

1           **39-16-105. Exemptions.**

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3           (a) The following purchases or leases are exempt from  
4 the excise tax imposed by this article:

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6           (viii) For the purpose of exempting sales of  
7 services and tangible personal property as an economic  
8 incentive, the following are exempt:

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10                   (K) Purchases of equipment by a  
11 telecommunications service provider, video programming  
12 service provider or provider of internet access used to  
13 provide broadband internet service in an unserved area, as  
14 defined in W.S. 9-12-1501(e). A telecommunications service  
15 provider, video programming service provider or provider of  
16 internet access may allocate the purchase price of equipment  
17 using any reasonable method, instead of specific geographic  
18 accounting, if the method is consistently used by the provider  
19 and supported by verifiable data that reasonably reflects the  
20 location where the equipment is used. The definitions in W.S.  
21 39-15-105(a)(viii)(U) shall apply to this subparagraph. All  
22 reporting requirements contained in W.S. 39-16-105(b) shall  
23 apply to this subparagraph, except that the report otherwise

1 provided to the joint revenue interim committee shall be  
2 provided to the joint corporations, elections and political  
3 subdivisions interim committee. This subparagraph is repealed  
4 effective July 1, 2024.

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6       **Section 2.** This act is effective July 1, 2019.

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(END)