

## HOUSE BILL NO. HB0097

Taxation of broadband internet infrastructure.

Sponsored by: Representative(s) Lindholm, Blackburn, Blake,  
Crank, Olsen, Sommers and Walters 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; and providing for an effective  
4 date.

5

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

7

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:

11

12       **39-15-105. Exemptions.**

13

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

1

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

5

6 (U) Sales of equipment to a  
7 telecommunications service provider, video programming  
8 service provider or provider of internet access used to  
9 provide broadband internet service in an unserved area, as  
10 defined in W.S. 9-12-1501(e), under this subparagraph. The  
11 following shall apply:

12

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

20

21 (II) As used in this subparagraph:

22

1                   (1) "Broadband internet service"  
2 means high speed internet access that in residential areas is  
3 capable of download speeds of at least twenty-five (25)  
4 megabits per second and upload speeds of at least three (3)  
5 megabits per second or, in business corridors, as defined by  
6 rule of the Wyoming business council under W.S. 9-12-1501(g),  
7 is capable of download speeds of at least one (1) gigabit per  
8 second and upload speeds of at least one hundred (100)  
9 megabits per second;

10

11                   (2) "Equipment" means tangible  
12 objects which are integral to the broadband internet service  
13 infrastructure of a telecommunications service provider,  
14 video programming service provider or provider of internet  
15 access and shall exclude equipment sold or leased to a  
16 customer of a provider;

17

18                   (3) "Provider of internet access"  
19 means a person, or any agent, contractor or subcontractor of  
20 the person, who in the course of business, provides a service  
21 that enables users to access content, information, electronic  
22 mail or other services offered over the internet and may also  
23 include access to proprietary content, information and other

1 services as part of a package of services offered to consumers  
2 and does not include telecommunications services, except to  
3 the extent such services are purchased, used or sold by a  
4 provider of internet access to provide internet access;

5  
6 (4) "Telecommunications service  
7 provider" means a person, or any agent, contractor or  
8 subcontractor of the person, who in the course of business,  
9 provides telecommunications services, as defined in W.S.  
10 39-15-101(a)(xxxix)(U);

11  
12 (5) "Video programming service  
13 provider" means a person, or any agent, contractor or  
14 subcontractor of the person, who in the course of business,  
15 provides programming from, or comparable to, a television  
16 broadcast station, including cable service as defined in 47  
17 U.S.C. § 522(6).

18  
19 **39-16-105. Exemptions.**

20  
21 (a) The following purchases or leases are exempt from  
22 the excise tax imposed by this article:  
23

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

4  
5                   (K) Purchases of equipment by a  
6 telecommunications service provider, video programming  
7 service provider or provider of internet access used to  
8 provide broadband internet service in an unserved area, as  
9 defined in W.S. 9-12-1501(e). A telecommunications service  
10 provider, video programming service provider or provider of  
11 internet access may allocate the purchase price of equipment  
12 using any reasonable method, instead of specific geographic  
13 accounting, if the method is consistently used by the provider  
14 and supported by verifiable data that reasonably reflects the  
15 location where the equipment is used. The definitions in W.S.  
16 39-15-105(a)(viii)(U) shall apply to this subparagraph.

17  
18           **Section 2.** This act is effective July 1, 2019.

19  
20                                   (END)