

Subsec. (d). Pub. L. 89-44 reenacted subsec. (d) without change.

Subsec. (e). Pub. L. 89-44 substituted “any service” for “toll telephone service, telegraph service, or teletypewriter exchange service”.

Subsec. (f). Pub. L. 89-44 substituted amounts paid for any toll telephone service for amounts paid for wire mileage service, wire and equipment service, and use of any telephone or radiotelephone line or channel which constitutes general telephone service if such line or channel connects stations between any two of which there would otherwise be a toll charge.

Subsec. (g). Pub. L. 89-44 reenacted subsec. (g) without change.

Subsecs. (h) to (j). Pub. L. 89-44 struck out subsecs. (h) to (j), which related to terminal facilities in case of wire mileage service and to certain interior and private communications services.

1962—Subsec. (j). Pub. L. 87-508 added subsec. (j).

1959—Subsec. (f). Pub. L. 86-344 substituted “Common carriers and communications companies” for “Special wire service in company business” in heading, incorporated existing provisions in opening and closing statements and par. (1) and added par. (2).

1958—Subsec. (a). Pub. L. 85-859 substituted “general telephone service, or with respect to toll telephone service or telegraph service if the charge for such toll telephone service or telegraph service is less than 25 cents” for “local telephone service”.

Subsec. (b). Pub. L. 85-859 substituted “general telephone service, on any payment received from any person for services used” for “local telephone service, upon any payment received from any person for services or facilities utilized”.

Subsec. (c). Pub. L. 85-859 substituted “on any payment received for services furnished to an international organization, or to the American National Red Cross” for “upon any payment received for services or facilities furnished to an international organization, or any organization created by act of Congress to act in matters of relief under the treaty of Geneva of August 22, 1864”.

Subsec. (d). Pub. L. 85-859 substituted “on any payment received for any toll telephone service” for “with respect to long distance telephone service upon any payment received for any telephone or radio telephone message”.

Subsec. (e). Pub. L. 85-859 substituted “toll telephone service, telegraph service, or teletypewriter exchange service” for “long distance telephone service or telegraph service” and “in furnishing such service” for “in the transmission of such dispatch, message or conversation”.

Subsec. (f). Pub. L. 85-859 substituted “any wire mileage service or wire and equipment service as is used in the conduct” for “the service described in sections 4252(d) and (e) as is utilized in the conduct”.

Subsecs. (g) to (i). Pub. L. 85-859 added subsecs. (g) to (i).

#### EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-280 effective Jan. 1, 2007, see section 1207(g)(1) of Pub. L. 109-280, set out as a note under section 4041 of this title.

#### EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-508, title XI, §11217(c)(2), Nov. 5, 1990, 104 Stat. 1388-438, provided that:

“(A) IN GENERAL.—The amendment made by paragraph (1) [amending this section] shall apply to any claim for exemption made after the date of the enactment of this Act [Nov. 5, 1990].

“(B) DURATION OF EXISTING CERTIFICATES.—Any annual certificate of exemption effective on the date of the enactment of this Act [Nov. 5, 1990] shall remain effective until the end of the annual period.”

#### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1904(a)(6) of Pub. L. 94-455 effective on first day of first month which begins more

than 90 days after Oct. 4, 1976, see section 1904(d) of Pub. L. 94-455, set out as a note under section 4041 of this title.

#### EFFECTIVE DATE OF 1969 AMENDMENT

Amendment by Pub. L. 91-172 effective Jan. 1, 1970, see section 101(k)(1) of Pub. L. 91-172, set out as an Effective Date note under section 4940 of this title.

#### EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-368 applicable to amounts paid pursuant to bills first rendered on or after April 1, 1966, for services rendered on or after such date and to amounts paid pursuant to bills rendered on or after such date for services which were rendered before such date and for which no previous bill was rendered except with respect to such services as were rendered more than two months before such date and, as to services rendered more than 2 months before such date, direction that the provisions of subchapter B of chapter 33 of the Code in effect at the time such services were rendered, be applied, subject to the provision of section 701(b)(2) of the Excise Tax Reduction Act of 1965.

#### EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 applicable to amounts paid pursuant to bills rendered on or after January 1, 1966, for services rendered on or after such date, but, in the case of amounts paid pursuant to bills rendered after January 1, 1966, for services rendered before such date for which no previous bill had been rendered, applicable except with respect to such services as were rendered more than two months before such date, see section 701(b)(2)(A) of Pub. L. 89-44, set out as a note under section 4251 of this title.

#### EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by Pub. L. 87-508 applicable with respect to services furnished on or after Jan. 1, 1963, see section 4(c) of Pub. L. 87-508, set out as a note under section 4252 of this title.

#### EFFECTIVE DATE OF 1959 AMENDMENT

Pub. L. 86-344, §4(b), Sept. 21, 1959, 73 Stat. 619, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) Subject to the provisions of paragraph (2), the amendment made by subsection (a) [amending this section] shall apply with respect to amounts paid on or after January 1, 1959, for services rendered on or after such date.

“(2) The amendment made by subsection (a) [amending this section] shall not apply with respect to amounts paid pursuant to bills rendered before January 1, 1959. In the case of amounts paid pursuant to bills rendered on or after such date for services for which no bill was rendered before such date, such amendment shall apply except with respect to such services as were rendered more than 2 months before such date. In the case of services rendered more than 2 months before such date, the provisions of subchapter B of chapter 33 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] in effect at the time such services were rendered shall apply to the amounts paid for such services.”

#### EFFECTIVE DATE OF 1958 AMENDMENT

For effective date of amendment made by Pub. L. 85-859, see section 133(b) of Pub. L. 85-859, set out as a note under section 4251 of this title.

## § 4254. Computation of tax

### (a) General rule

If a bill is rendered the taxpayer for local telephone service or toll telephone service—

(1) the amount on which the tax with respect to such services shall be based shall be the sum of all charges for such services included in the bill; except that

(2) if the person who renders the bill groups individual items for purposes of rendering the bill and computing the tax, then (A) the amount on which the tax with respect to each such group shall be based shall be the sum of all items within that group, and (B) the tax on the remaining items not included in any such group shall be based on the charge for each item separately.

**(b) Where payment is made for toll telephone service in coin-operated telephones**

If the tax imposed by section 4251 with respect to toll telephone service is paid by inserting coins in coin-operated telephones, tax shall be computed to the nearest multiple of 5 cents, except that, where the tax is midway between multiples of 5 cents, the next higher multiple shall apply.

**(c) Certain State and local taxes not included**

For purposes of this subchapter, in determining the amounts paid for communications services, there shall not be included the amount of any State or local tax imposed on the furnishing or sale of such services, if the amount of such tax is separately stated in the bill.

(Aug. 16, 1954, ch. 736, 68A Stat. 504; Pub. L. 85-859, title I, §133(a), Sept. 2, 1958, 72 Stat. 1291; Pub. L. 89-44, title III, §302, June 21, 1965, 79 Stat. 147; Pub. L. 95-172, §2(a), Nov. 12, 1977, 91 Stat. 1358.)

**CODIFICATION**

This subchapter, relating to the tax on communications was repealed by Pub. L. 90-364, title I, §105(b)(3), June 28, 1968, 82 Stat. 266, as amended by Pub. L. 91-172, title VII, §702(b)(3), Dec. 30, 1969, 83 Stat. 660; Pub. L. 91-614, title II, §201(b)(3), Dec. 31, 1970, 84 Stat. 1843, effective with respect to amounts paid pursuant to bills first rendered on or after Jan. 1, 1982. In the case of communications services rendered before Nov. 1, 1981, for which a bill has not been rendered before Jan. 1, 1982, a bill shall be treated as having been first rendered on Dec. 31, 1981. Repeal of this subchapter was not executed in view of the amendments to section 4251 of this title by Pub. L. 96-499, Pub. L. 97-34, Pub. L. 97-248, Pub. L. 98-369, Pub. L. 99-514, Pub. L. 100-203, and Pub. L. 101-508, extending the date in (and finally eliminating) provisions which had reduced the tax to zero after a specified date.

**AMENDMENTS**

1977—Subsec. (c). Pub. L. 95-172 added subsec. (c).  
1965—Subsec. (a). Pub. L. 89-44 substituted “local telephone service or toll telephone service” for “general telephone service, toll telephone service, or telegraph service”.

Subsec. (b). Pub. L. 89-44 substituted “toll telephone service” for “toll telephone service or telegraph service” in catchline and text.

1958—Subsec. (a). Pub. L. 85-859 provided that if the person who renders the bill groups individual items for purposes of rendering the bill and computing the tax, then the amount on which the tax with respect to each group shall be based shall be the sum of all items within that group, and the tax on remaining items not included in any such group shall be based on the charge of each item separately.

Subsec. (b). Pub. L. 85-859 substituted “toll telephone service” for “long distance telephone service”.

**EFFECTIVE DATE OF 1977 AMENDMENT**

Pub. L. 95-172, §2(b), Nov. 12, 1977, 91 Stat. 1358, provided that: “The amendment made by this section

[amending this section] shall take effect only with respect to amounts paid pursuant to bills first rendered on or after the first day of the first month which begins more than 20 days after the date of the enactment of this Act [Nov. 12, 1977]. For purposes of the preceding sentence, in the case of communications services rendered more than 2 months before the effective date provided in the preceding sentence, no bill shall be treated as having been first rendered on or after such effective date.”

**EFFECTIVE DATE OF 1965 AMENDMENT**

Amendment by Pub. L. 89-44 applicable to amounts paid pursuant to bills rendered on or after January 1, 1966, for service rendered on or after such date, but, in the case of amounts paid pursuant to bills rendered after January 1, 1966, for services rendered before such date for which no previous bill had been rendered, applicable except with respect to such services as were rendered more than two months before such date, see section 701(b)(2)(A) of Pub. L. 89-44, set out as a note under section 4251 of this title.

**EFFECTIVE DATE OF 1958 AMENDMENT**

For effective date of amendment made by Pub. L. 85-859, see section 133(b) of Pub. L. 85-859, set out as a note under section 4251 of this title.

**Subchapter C—Transportation by Air**

**Part**

- I. Persons.
- II. Property.
- III. Special provisions applicable to taxes on transportation by air.

**AMENDMENTS**

2018—Pub. L. 115-141, div. U, title IV, §401(a)(222), Mar. 23, 2018, 132 Stat. 1194, substituted “applicable” for “relating” in item for part III.

**PART I—PERSONS**

**Sec.**

- 4261. Imposition of tax.
- 4262. Definition of taxable transportation.
- 4263. Special rules.

**AMENDMENTS**

1970—Pub. L. 91-258, title II, §205(c)(4), May 21, 1970, 84 Stat. 242, substituted “Transportation by Air” for “Transportation of Persons by Air” in subchapter heading, inserted part I to III headings in subchapter analysis, inserted “PART I—PERSONS” as analysis heading preceding section 4261, struck out item 4263, and redesignated item 4264 as 4263.

1962—Pub. L. 87-508, §5(b), June 28, 1962, 76 Stat. 115, substituted “Transportation of Persons by Air” for “Transportation of Persons” in subchapter heading.

1958—Pub. L. 85-475, §4(b)(2), June 30, 1958, 72 Stat. 260, substituted “Transportation of Persons” for “Transportation” in subchapter heading and struck out parts I-III, which were included in subchapter C.

1956—Act July 25, 1956, ch. 725, §5, 70 Stat. 646, added items 4262 and 4264 and redesignated former item 4262 as 4263.

**§ 4261. Imposition of tax**

**(a) In general**

There is hereby imposed on the amount paid for taxable transportation of any person a tax equal to 7.5 percent of the amount so paid.

**(b) Domestic segments of taxable transportation**

**(1) In general**

There is hereby imposed on the amount paid for each domestic segment of taxable transportation by air a tax in the amount of \$3.00.