

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective, except as otherwise provided, as if included in the provisions of the Highway Revenue Act of 1982, title V of Pub. L. 97-424, to which such amendment relates, see section 736 of Pub. L. 98-369, set out as a note under section 4051 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

For effective date of amendment by Pub. L. 97-473, see section 204(5) of Pub. L. 97-473, set out as an Effective Date note under section 7871 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by 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 1965 AMENDMENT

Amendment by Pub. L. 89-44 applicable with respect to articles sold on or after June 22, 1965, except insofar as such amendments related to the taxes imposed by sections 4061(b), 4091, and 4131 and, as to such taxes, applicable with respect to articles sold on or after January 1, 1966, see section 701(a) of Pub. L. 89-44, set out as a note under section 4161 of this title.

**CHAPTER 33—FACILITIES AND SERVICES**

Subchapter		Sec.1
[A.]	Repealed.]	
B.	Communications .....	4251
C.	Transportation by air .....	4261
[D.]	Repealed.]	
E.	Special provisions applicable to services and facilities taxes .....	4291

REPEAL OF SUBCHAPTER B

*Table of subchapters for chapter 33 amended by striking out the item relating to subchapter B dealing with Communications, effective Jan. 1, 1982, see 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. Repeal of item B 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, and Pub. L. 101-508, extending the date in (and finally eliminating) provisions which had reduced the tax to zero after a specified date.*

**Editorial Notes**

AMENDMENTS

1970—Pub. L. 91-258, title II, §205(c)(5), May 21, 1970, 84 Stat. 242, substituted “Transportation by air” for “Transportation of persons by air” in item for subchapter C.

1965—Pub. L. 89-44, title III, §§301, 304, June 21, 1965, 79 Stat. 145, 148, struck out items for subchapters A and D.

1962—Pub. L. 87-508, §5(c)(1), June 28, 1962, 76 Stat. 118, substituted “Transportation of persons by air” for “Transportation of persons” in item for subchapter C.

1958—Pub. L. 85-475, §4(b)(1), June 30, 1958, 72 Stat. 260, substituted “Transportation of persons” for “Transportation” in item for subchapter C.

<sup>1</sup> Section numbers editorially supplied.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1962 AMENDMENT

Pub. L. 87-508, §5(d), June 28, 1962, 76 Stat. 119, provided in part that: “The amendment made by subsection (c)(1) [amending item for subchapter C in the analysis] shall apply only with respect to transportation beginning after November 15, 1962.”

**[Subchapter A—Repealed]**

**[[§ 4231 to 4234. Repealed. Pub. L. 89-44, title III, § 301, June 21, 1965, 79 Stat. 145]**

Section 4231, acts Aug. 16, 1954, ch. 736, 68A Stat. 497; Aug. 6, 1956, ch. 1019, §1, 70 Stat. 1074; Sept. 2, 1958, Pub. L. 85-859, title I, §131(a)-(c), 72 Stat. 1286, 1287; Apr. 8, 1960, Pub. L. 86-422, §1, 74 Stat. 41, imposed a tax on admissions, permanent use or lease of boxes or seats, sales outside of box office in excess of established price, sales by proprietors in excess of established price, and cabarets.

Section 4232, acts Aug. 16, 1954, ch. 736, 68A Stat. 498; Sept. 2, 1958, Pub. L. 85-859, title I, §131(d), 72 Stat. 1287, defined admission, roof garden, cabaret, or other similar place, and performance for profit as used in section 4231.

Section 4233, acts Aug. 16, 1954, ch. 736, 68A Stat. 498; Aug. 11, 1955, ch. 792, §1, 69 Stat. 675; Apr. 16, 1958, Pub. L. 85-380, §§1-3, 72 Stat. 88; Sept. 2, 1958, Pub. L. 85-859, title I, §131(e), (f), 72 Stat. 1287; June 25, 1959, Pub. L. 86-70, §22(a), 73 Stat. 146; Sept. 21, 1959, Pub. L. 86-319, §1, 73 Stat. 590; Sept. 21, 1959, Pub. L. 86-344, §2(c), 73 Stat. 617; July 12, 1960, Pub. L. 86-624, §18(d), 74 Stat. 416, granted certain exemptions to certain charitable, educational, or religious entertainments, agricultural fairs, certain musical or dramatic performances, swimming pools, etc., home and garden tours, historic sites, certain amateur theatricals, certain amateur baseball games, rodeos, pageants, and certain benefit performances.

Section 4234, act Aug. 16, 1954, ch. 736, 68A Stat. 501, required that price of tickets be printed on face or back of such tickets and provided a penalty for selling tickets not so stamped.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF REPEAL

Repeal applicable with respect to admissions, services, or uses after noon, December 31, 1965, see section 701(b)(1) of Pub. L. 89-44, set out as an Effective Date of 1965 Amendment note under section 4291 of this title.

**[[§ 4241 to 4243. Repealed. Pub. L. 89-44, title III, § 301, June 21, 1965, 79 Stat. 145]**

Section 4241, acts Aug. 16, 1954, ch. 736, 68A Stat. 501; Sept. 2, 1958, Pub. L. 85-859, title I, §132(a), 72 Stat. 1288; Sept. 21, 1959, Pub. L. 86-344, §3(b), 73 Stat. 618, imposed a tax on dues or membership fees, initiation, fees, and life memberships in social, athletic, or sporting clubs or organizations.

Section 4242, act Aug. 16, 1954, ch. 736, 68A Stat. 501, defined dues and initiation fees as used in section 4241.

Section 4243, acts Aug. 16, 1954, ch. 736, 68A Stat. 502; Sept. 2, 1958, Pub. L. 85-859, title I, §132(b), 72 Stat. 1288; Sept. 21, 1959, Pub. L. 86-344, §3(a), 73 Stat. 618, granted exemptions to fraternal organizations, payments for capital improvements, and nonprofit swimming or skating facilities.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF REPEAL

Repeal applicable with respect to dues and membership fees attributable to periods beginning on or after January 1, 1966, initiation fees and amounts paid for life memberships attributable to memberships begin-

ning on or after January 1, 1966, initiation fees paid on or after July 1, 1965, to a new club or organization first making its facilities available to members on or after such a date, and, in the case of amounts described in section 4243(b) of this title, 3-year periods beginning on or after January 1, 1966, see section 701(b)(1) of Pub. L. 89-44, set out as an Effective Date of 1965 Amendment note under section 4291 of this title.

### Subchapter B—Communications

Sec.	
4251.	Imposition of tax.
4252.	Definitions.
4253.	Exemptions.
4254.	Computation of tax.

#### REPEAL

*This subchapter, relating to the tax on communication, 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.*

### § 4251. Imposition of tax

#### (a) Tax imposed

##### (1) In general

There is hereby imposed on amounts paid for communications services a tax equal to the applicable percentage of amounts so paid.

##### (2) Payment of tax

The tax imposed by this section shall be paid by the person paying for such services.

#### (b) Definitions

For purposes of subsection (a)—

##### (1) Communications services

The term “communications services” means—

- (A) local telephone service;
- (B) toll telephone service; and
- (C) teletypewriter exchange service.

##### (2) Applicable percentage

The term “applicable percentage” means 3 percent.

#### (c) Special rule

For purposes of subsections (a) and (b), in the case of communications services rendered before November 1 of a calendar year for which a bill has not been rendered before the close of such year, a bill shall be treated as having been first rendered on December 31 of such year.

#### (d) Treatment of prepaid telephone cards

##### (1) In general

For purposes of this subchapter, in the case of communications services acquired by means of a prepaid telephone card—

(A) the face amount of such card shall be treated as the amount paid for such communications services, and

(B) that amount shall be treated as paid when the card is transferred by any telecommunications carrier to any person who is not such a carrier.

#### (2) Determination of face amount in absence of specified dollar amount

In the case of any prepaid telephone card which entitles the user other than to a specified dollar amount of use, the face amount shall be determined under regulations prescribed by the Secretary.

#### (3) Prepaid telephone card

For purposes of this subsection, the term “prepaid telephone card” means any card or any other similar arrangement which permits its holder to obtain communications services and pay for such services in advance.

(Aug. 16, 1954, ch. 736, 68A Stat. 503; Pub. L. 85-859, title I, § 133(a), Sept. 2, 1958, 72 Stat. 1289; Pub. L. 86-75, § 5, June 30, 1959, 73 Stat. 158; Pub. L. 86-564, title II, § 202(a)(2), June 30, 1960, 74 Stat. 290; Pub. L. 87-72, § 3(a)(2), June 30, 1961, 75 Stat. 193; Pub. L. 87-508, § 3(a)(2), June 28, 1962, 76 Stat. 114; Pub. L. 88-52, § 3(a)(2), June 29, 1963, 77 Stat. 72; Pub. L. 88-348, § 2(a)(2), June 30, 1964, 78 Stat. 237; Pub. L. 89-44, title III, § 302, title VII, § 701(b)(2)(B), June 21, 1965, 79 Stat. 145, 156; Pub. L. 89-368, title II, § 202(a), Mar. 15, 1966, 80 Stat. 66; Pub. L. 90-285, § 1(a)(3), Apr. 12, 1968, 82 Stat. 92; Pub. L. 90-364, title I, § 105(b)(1), (2), June 28, 1968, 82 Stat. 265; Pub. L. 91-172, title VII, § 702(b)(1), (2), Dec. 30, 1969, 83 Stat. 660; Pub. L. 91-614, title II, § 201(b)(1), (2), Dec. 31, 1970, 84 Stat. 1843; Pub. L. 96-499, title XI, § 1151, Dec. 5, 1980, 94 Stat. 2694; Pub. L. 97-34, title VIII, § 821, Aug. 13, 1981, 95 Stat. 351; Pub. L. 97-248, title II, § 282(a), Sept. 3, 1982, 96 Stat. 568; Pub. L. 98-369, div. A, title I, § 26, July 18, 1984, 98 Stat. 507; Pub. L. 99-514, title XVIII, § 1801(b), Oct. 22, 1986, 100 Stat. 2785; Pub. L. 100-203, title X, § 10501, Dec. 22, 1987, 101 Stat. 1330-438; Pub. L. 101-508, title XI, § 11217(a), Nov. 5, 1990, 104 Stat. 1388-437; Pub. L. 105-34, title X, § 1034(a), Aug. 5, 1997, 111 Stat. 937; Pub. L. 105-206, title VI, § 6010(i), July 22, 1998, 112 Stat. 815.)

#### Editorial Notes

##### 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.

Pub. L. 96-499, title XI, § 1151, Dec. 5, 1980, 94 Stat. 2694; Pub. L. 97-34, title VIII, § 821, Aug. 13, 1981, 95 Stat. 351; Pub. L. 97-248, title II, § 282(a), Sept. 3, 1982, 96 Stat. 568; Pub. L. 98-369, div. A, title I, § 26, July 18, 1984, 98 Stat. 507; Pub. L. 99-514, title XVIII, § 1801(b), Oct. 22, 1986, 100 Stat. 2785; Pub. L. 100-203, title X, § 10501, Dec. 22, 1987, 101 Stat. 1330-438; Pub. L. 101-508, title XI, § 11217(a), Nov. 5, 1990, 104 Stat. 1388-437, amended this