



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

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Grassley seeks permanent repeal of telephone tax

WASHINGTON — Sen. Chuck Grassley today applauded the Treasury Department for its decision to return three years of federal excise taxes on long-distance calls, and said he intends to have the Finance Committee consider legislation to abolish the tax all together.

“It’s time to give up the ghost and get rid of this outdated tax,” Grassley said. “Today is a turning point in the long battle to stop the levy for a war that ended 100 years ago. This tax hits every telephone owner, but it doesn’t pay for any specific program. It now pours billions into the U.S. Treasury every year for no reason. It’s time to hang up the telephone tax.”

Grassley, who chairs the Senate tax-writing committee, introduced a bill in 2001 to get rid of the telephone excise tax, which was first started in 1898 to help pay for the Spanish-American War. Congress had passed legislation to phase out the fee in 2000, but the appropriations bill in which it was included was vetoed.