

## **CITY OF SACRAMENTO UTILITY USERS TAX**

### **ADMINISTRATIVE RULING (2.2)**

#### **Communications User Tax Sacramento City Code § 3.32.030**

**Authority.** Pursuant to Section 3.32.030(E) of the Sacramento City Code, the Tax Administrator adopts the following administrative ruling identifying certain fees and charges that are subject to or exempt from the Communications User Tax.

#### **Administrative Ruling (Charges).**

1. The term “charges,” as used in Section 3.32.030 of the Sacramento City Code, shall include any fee or charge collected from a user of communications services by a service supplier for the purpose of recovering the cost of any fee, charge, or regulatory requirement imposed on the service supplier pursuant to the laws of the State of California, and any fee or charge that the service supplier is required or expressly authorized to collect from a user of communications services pursuant to the laws of the State of California, including, but not limited to, fees or charges collected in connection with:

- a. the Public Utilities Commission Utilities Reimbursement Account (PUCURA);
- a. Universal Lifeline Telephone Service (ULTS);
- b. the California Teleconnect Fund (CTF);
- c. the California Deaf and Disabled Telecommunications Program (DDTP);
- d. the California High Cost Fund-A (CHCF-A);
- e. the California High Cost Fund-B (CHCF-B); and
- f. the California Advance Services Fund (CASF).

2. The term “charges,” as used in Section 3.32.030 of the Sacramento City Code, shall include any fee or charge collected from a user of communications services by a service supplier for the purpose of recovering the cost of any fee, charge, or regulatory requirement imposed on the service supplier pursuant to the laws of the United States, and any fee or charge that the service supplier is required or expressly authorized to collect from a user of communications services pursuant to the laws of the United States, including, but not limited to:

- a. any fee or charge collected in connection with Telecommunications Relay Service, Number Portability, or Number Pooling;

- b. any fee or charge collected in connection with the Federal Universal Service Fund (USF); and
- c. any fee or charge designated on the user's invoice as a "FCC User Fee" or "FCC Regulatory Fee."

3. Notwithstanding any other provision of this ruling, the term "charges," as used in Section 3.32.030 of the Sacramento City Code, shall not include:

- a. the Federal Excise Tax (26 U.S.C. § 4251 *et seq.*); and
- b. surcharges imposed by the State of California pursuant to the Emergency Telephone Users Surcharge Act (Rev. & Tax. Code § 41001 *et seq.*).

**Limitation.** This Administrative Ruling is intended to give general guidance and should not be viewed as providing a definitive answer to all factual situations. The exact application of the Communications User Tax will depend on the nature of the service, the way the service is billed, and other factors.

**Issued by the Finance Director and  
Tax Administrator of the City of Sacramento**



Leyne Milstein (Apr 18, 2023 12:59 PDT)

**Leyne Milstein**

**Date:** Apr 18, 2023