



Georgia Department of Revenue
Policy Bulletin SUT-2014-01
Expiration of the Federal Moratorium on the Taxation of Internet Access Charges

- 1) **Purpose:** This Policy Bulletin provides guidance related to the expiration of the federal moratorium on the taxation of internet access charges.
- 2) **Effective Date:** August 28, 2014.
- 3) **Authority:** Internet Tax Freedom Act, 47 U.S.C. § 151 note.
- 4) **Scope:** A Policy Bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin does not have the force or effect of law and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.
- 5) **Issues:**
 - (A) Are charges for internet access subject to sales tax in Georgia?
 - (B) If the Internet Tax Freedom Act (ITFA) moratorium expires, will charges for internet access be subject to sales tax in Georgia?
- 6) **Discussion of Issues:**
 - (A) No. Georgia law does not provide for the imposition of state or local sales tax on charges for internet access. Furthermore, the Georgia General Assembly is prohibited by the Internet Tax Freedom Act (ITFA) from imposing a tax on internet access charges.

ITFA is a federal law that imposes a moratorium on the taxation of charges for internet access. ITFA defines "internet access" as i) a service that enables users to connect to the internet to access content, information, or other services offered over the internet; ii) telecommunications purchased, used, or sold to provide such service or to enable users to access content, information, or other services offered over the internet; and iii) services incidental to the provision of such services to users. Unless extended by Congress, the moratorium will expire on November 1, 2014.
 - (B) No. Currently, Georgia law does not impose a tax on charges for internet access.

FOR MORE INFORMATION

For more information on this subject, contact Taxpayer Services at 1-877-423-6711
from 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays.
Taxpayers with hearing or speech impairments may call our TDD number at 404-417-4302.
For forms and other information, visit our website (www.etax.dor.ga.gov).
