

HOUSE BILL 2680

By Sexton J

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 5; Title 6; Title 7; Title 65 and Title 67, relative
to entities building towers for communications
service.

WHEREAS, increasing cellular accessibility is an important safety issue in allowing school bus drivers, citizens on the roadways or in their homes, or our police force or first responders to readily have cellular accessibility in the event of an emergency; and

WHEREAS, increasing cellular accessibility aids local businesses by increasing their connectivity in an increasingly global market, giving local businesses the tools necessary to compete effectively in their market; and

WHEREAS, many businesses, from small to large, are increasingly using cellular capabilities, such as FaceTime, Skype, mobile emailing, and text messaging to handle business tasks, and without effective cellular accessibility, rural businesses and their owners and employees are at a disadvantage to more connected locations, which is unacceptable to the citizens of this State who deserve the best tools to compete, regardless of being located in a metropolitan or a rural area; and

WHEREAS, cellular companies make decisions to install cellular towers based in large part on monetary measures. Further, such companies are increasing the capabilities and services in more populated areas while rural areas have poor or no coverage, and a credit on sales and use taxes is one way to incentivize such companies to install cellular towers in rural areas that heretofore have been excluded; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 5, is amended by adding the following language as a new section:

(a) As used in this section, "unserved area" means an area that does not have cellular phone service coverage.

(b) If a provider of cellular phone service in this state builds a cellular tower in an unserved area in this state, then the provider is entitled to a credit, in the amount of one-half (1/2) of the lease costs and building costs for erecting the cellular tower, not to exceed five hundred thousand dollars (\$500,000) per cellular tower, in computing any liability to the department for sales or use tax. The provider must provide reasonable proof satisfactory to the department in order to receive the credit under this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.