



Joint Committee on Taxation
May 16, 2000
JCX-48-00

**DESCRIPTION OF AN AMENDMENT IN THE NATURE OF
A SUBSTITUTE TO THE PROVISIONS OF H.R. 3916**

(REPEAL OF THE FEDERAL COMMUNICATIONS EXCISE TAX)

The House Committee on Ways and Means has scheduled a markup of the provisions contained in H.R. 3916 (Repeal of the Federal Communications Excise Tax)¹ on May 17, 2000. This document,² prepared by the staff of the Joint Committee on Taxation, contains a description of an amendment in the nature of a substitute to H.R. 3916.

The amendment in the nature of a substitute includes the provisions of H.R. 3916, with a modification that would phase out the tax, beginning with amounts paid with respect to bills first rendered 30 days after enactment. The phase-out schedule is as follows:

<u>Period</u>	<u>Tax Rate</u>
30 days after enactment-September 30, 2001	2 percent
October 1, 2001 – September 30, 2002	1 percent
October 1, 2002 and thereafter	No tax

¹ A description of the provisions of H.R. 3916 may be found in Joint Committee on Taxation, *Description of H.R. 3916 (Repeal of the Federal Communication Excise Tax)*, (JCX-47-00), May 15, 2000.

² This document may be cited as follows: Joint Committee on Taxation, *Description of an Amendment in the Nature of a Substitute to the Provisions of H.R. 3916* (JCX-48-00), May 16, 2000.