

SS#2 SB 872 -- TAXATION OF UTILITY INFRASTRUCTURE

SPONSOR: Eslinger (Thompson)

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Public Policy by a vote of 6 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 10 to 0.

This bill modifies provisions relating to the taxation of utility infrastructure.

VIDEO SERVICE PROVIDERS (Section 67.2677)

This bill modifies the definition of "video service" to include the provision of video programming by a video service provider provided through wireline facilities located in a public right-of-way without regard to the delivery technology. "Video service" does not include any video programming accessed via a service that enables users to access content over the Internet, including streaming content.

WIRELESS FACILITIES (Section 67.5122)

This bill extends the sunset date of the Uniform Small Wireless Facility Deployment Act from January 1, 2025, to December 31, 2029.

BROADBAND GRANT DEDUCTION (Section 143.121)

Currently, a taxpayer is authorized to claim an income tax deduction for 100% of Federal grant moneys received for the purpose of providing or expanding access to broadband Internet to areas of the State deemed to be lacking such access. This bill modifies the deduction to also allow it to be taken for State and local grant moneys received.

SALES TAX EXEMPTION FOR UTILITIES (Section 144.058)

This bill creates a State and local sales tax exemption for utilities, equipment, and materials used to generate or transmit electricity. A public utility realizing savings as a result of this exemption provides the Public Service Commission information on the amount of savings realized and shall include a statement that the savings will be passed through to the public utility's rate determined in the public utility's next general rate proceeding.

PROPONENTS: Supporters say that this bill will lower the cost of utility bills. This bill will benefit the consumers and the utility service providers.

Testifying in person for the bill were Senator Eslinger; Burns & McDonnell; US Cellular; AT&T; Missouri Broadband Providers; Evergy; Associated Industries of Missouri; Gateway Fiber; AT&T; T-Mobile; Missouri Chamber of Commerce; Association of Missouri Electric Co-Ops; Wood Martin Consultants LLC; Verizon; Dish Network LLC; and Ameren.

OPPONENTS: Those who oppose the bill say that this bill is predominantly a free giveaway to utility companies and is not for the benefit of the consumers.

Testifying in person against the bill was Arnie C. Dienoff.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.