



## **HB 2455: We support Broadcaster tax apportionment reform**

Testimony for the Senate Committee on Finance and Revenue – John Calhoun – 2.1.2021

Over the past few decades, the broadcasting industry has changed dramatically both in organization and in technology. This committee has attempted to try to deal with these changes and provided an experiment over the past five years. This experiment on defining how to treat broadcasters for taxation purposes is now over and you have to decide how to proceed.

The experiment benefited broadcasters to the tune of \$10 million per year in lower taxes, yet DOR was not able to get full cooperation from the industry in providing the data needed to fully evaluate the approach. Furthermore, during this time the technology has continued to evolve.

**TFO supports SB 136** which would treat broadcasters as it does other service providers. There is no longer a justification for special provisions for broadcasters. DOR has plenty of experience with the service industry and has rules and regulations that can be applied.

The corporate revenue for this broadly defined industry is in the billions. This change will have little economic impact on the industry, but will add to our state revenues, and will put the industry on an equal footing with other members of the service industry.

*We read the bills and follow the money*