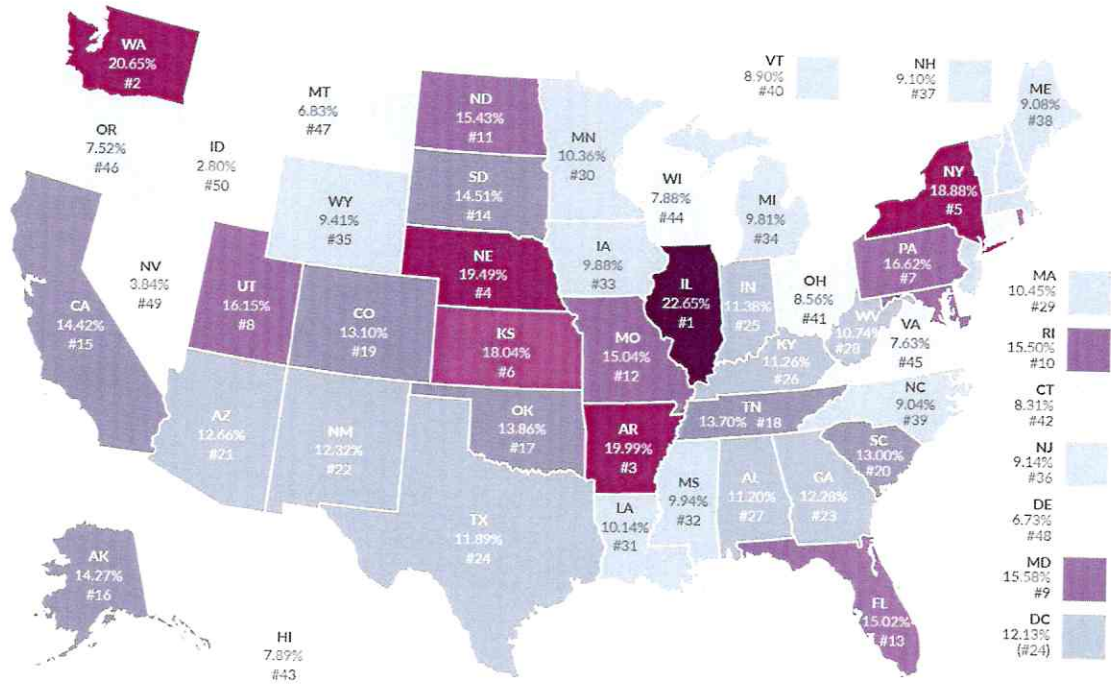


Source: <https://taxfoundation.org/wireless-taxes-cell-phone-tax-rates-by-state-2022/>

How High Are Cell Phone Taxes in Your State?

Taxes, Fees, and Government Charges on Wireless Service, July 2022



Note: The local tax rate is calculated as the average of the tax in the largest city and the capital city. DC's rank does not affect other states' rankings, but the figure in parentheses indicates where it would rank if included.

Source: Methodology derived from Council on State Taxation, "50-State Study and Report on Telecommunications Taxation," May 2005; updated July 2022 from state statutes, FCC data, and local ordinances by Scott Mackey, Leonine Public Affairs LLP, Montpelier, VT.

Combined State & Local Wireless Tax Rate



Table 2. Taxes, Fees, and Government Charges on Wireless Service, July 2022, State Rankings

	Wireless State- Local Rate	Federal USF Rate	Combined Federal/State/Local Rate
1 Illinois	22.65%	12.24%	34.89%
2 Washington	20.65%	12.24%	32.90%
3 Arkansas	19.99%	12.24%	32.23%
4 Nebraska	19.49%	12.24%	31.73%
5 New York	18.88%	12.24%	31.12%
6 Kansas	18.04%	12.24%	30.28%
7 Pennsylvania	16.62%	12.24%	28.86%
8 Utah	16.15%	12.24%	28.39%
9 Maryland	15.58%	12.24%	27.83%
10 Rhode Island	15.50%	12.24%	27.74%
11 North Dakota	15.43%	12.24%	27.67%
12 Missouri	15.04%	12.24%	27.28%
13 Florida	15.02%	12.24%	27.26%
14 South Dakota	14.51%	12.24%	26.75%
15 California	14.42%	12.24%	26.67%
16 Alaska	14.27%	12.24%	26.52%
17 Oklahoma	13.86%	12.24%	26.10%
18 Puerto Rico	13.77%	12.24%	26.02%
19 Tennessee	13.70%	12.24%	25.94%
20 Colorado	13.10%	12.24%	25.34%
21 South Carolina	13.00%	12.24%	25.24%
22 Arizona	12.66%	12.24%	24.90%
23 New Mexico	12.32%	12.24%	24.57%
24 Georgia	12.28%	12.24%	24.52%
25 District of Columbia	12.13%	12.24%	24.37%
26 Texas	11.89%	12.24%	24.14%
27 Indiana	11.38%	12.24%	23.62%
28 Kentucky	11.26%	12.24%	23.51%
29 Alabama	11.20%	12.24%	23.45%
30 West Virginia	10.74%	12.24%	22.99%
31 Massachusetts	10.45%	12.24%	22.69%
32 Minnesota	10.36%	12.24%	22.60%
33 Louisiana	10.14%	12.24%	22.38%
34 Mississippi	9.94%	12.24%	22.18%
35 Iowa	9.88%	12.24%	22.12%

Table 2. Taxes, Fees, and Government Charges on Wireless Service, July 2022, State Rankings

	Wireless State- Local Rate	Federal USF Rate	Combined Federal/State/Local Rate
36 Michigan	9.81%	12.24%	22.05%
37 Wyoming	9.41%	12.24%	21.65%
38 New Jersey	9.14%	12.24%	21.39%
39 New Hampshire	9.10%	12.24%	21.34%
40 Maine	9.08%	12.24%	21.32%
41 North Carolina	9.04%	12.24%	21.29%
42 Vermont	8.90%	12.24%	21.14%
43 Ohio	8.56%	12.24%	20.80%
44 Connecticut	8.31%	12.24%	20.55%
45 Hawaii	7.89%	12.24%	20.13%
46 Wisconsin	7.88%	12.24%	20.12%
47 Virginia	7.63%	12.24%	19.87%
48 Oregon	7.52%	12.24%	19.77%
49 Montana	6.83%	12.24%	19.07%
50 Delaware	6.73%	12.24%	18.98%
51 Nevada	3.84%	12.24%	16.09%
52 Idaho	2.80%	12.24%	15.04%
Weighted Avg.	13.15%	12.24%	25.39%
Simple Avg.	12.09%	12.24%	

Source: Methodology from COST, “50-State Study and Report on Telecommunications Taxation,” May 2005. Updated July 2022 using state statutes, FCC data, and local ordinances.

State Trends in Wireless Taxes 911 and 988 Fees

Most states impose per-line fees on telecommunications customers to fund capital and operating expenses for state and local emergency (911) systems. These fees vary significantly, from zero in Missouri to a high of \$5.00 per line in Chicago.^[5] In 2022, Connecticut was the only state to increase its 911 fee, from 68 cents per month to 70 cents per month per line. Colorado lowered its state 911 fee from 10 cents to 9 cents per month and Minnesota lowered its 911 fee from 95 cents to 80 cents per month.

In 2021 and 2022, a new fee began appearing on customer bills in three states. The FCC mandated that a new three-digit number (988) will be designated nationally to contact suicide prevention hotlines operated in the states. A law passed by Congress authorized states to impose “988 fees” to pay for some of the creation and operation of 988 crisis hotline centers. In 2021, Virginia was the first state to impose a new 988 fee, which is 12 cents per line per month. Colorado (18 cents per month) and Washington (24 cents per month) added new 988 fees in 2022.

Table 2. Taxes, Fees, and Government Charges on Wireless Service, July 2022, State Rankings

	Wireless State- Local Rate	Federal USF Rate	Combined Federal/State/Local Rate
36 Michigan	9.81%	12.24%	22.05%
37 Wyoming	9.41%	12.24%	21.65%
38 New Jersey	9.14%	12.24%	21.39%
39 New Hampshire	9.10%	12.24%	21.34%
40 Maine	9.08%	12.24%	21.32%
41 North Carolina	9.04%	12.24%	21.29%
42 Vermont	8.90%	12.24%	21.14%
43 Ohio	8.56%	12.24%	20.80%
44 Connecticut	8.31%	12.24%	20.55%
45 Hawaii	7.89%	12.24%	20.13%
46 Wisconsin	7.88%	12.24%	20.12%
47 Virginia	7.63%	12.24%	19.87%
48 Oregon	7.52%	12.24%	19.77%
49 Montana	6.83%	12.24%	19.07%
50 Delaware	6.73%	12.24%	18.98%
51 Nevada	3.84%	12.24%	16.09%
52 Idaho	2.80%	12.24%	15.04%
Weighted Avg.	13.15%	12.24%	25.39%
Simple Avg.	12.09%	12.24%	

Source: Methodology from COST, “50-State Study and Report on Telecommunications Taxation,” May 2005. Updated July 2022 using state statutes, FCC data, and local ordinances.

State Trends in Wireless Taxes 911 and 988 Fees

Most states impose per-line fees on telecommunications customers to fund capital and operating expenses for state and local emergency (911) systems. These fees vary significantly, from zero in Missouri to a high of \$5.00 per line in Chicago.^[5] In 2022, Connecticut was the only state to increase its 911 fee, from 68 cents per month to 70 cents per month per line. Colorado lowered its state 911 fee from 10 cents to 9 cents per month and Minnesota lowered its 911 fee from 95 cents to 80 cents per month.

In 2021 and 2022, a new fee began appearing on customer bills in three states. The FCC mandated that a new three-digit number (988) will be designated nationally to contact suicide prevention hotlines operated in the states. A law passed by Congress authorized states to impose “988 fees” to pay for some of the creation and operation of 988 crisis hotline centers. In 2021, Virginia was the first state to impose a new 988 fee, which is 12 cents per line per month. Colorado (18 cents per month) and Washington (24 cents per month) added new 988 fees in 2022.