enTouch Billing Conversion Tax Changes-9164

Introduction

With the enTouch migration, there are some changes to customer taxation with the conversion from MACC to ICOMS

- Generally these are tax rule interpretation changes; this does **not** mean the prior taxation was incorrect

Resolution Steps

City / County Sales Tax

- Customers may see a change in the amount of city or county sales tax billed in ICOMS
- Most often, this change is a reduction from what was billed in MACC
- The state of Texas has a variety of rules on the taxation of services and how services may be sourced for local taxation
- Interpretation and application of these rules are subject to change
- The customer sales tax change could relate to either a change in interpretation of overall taxation or sourcing of the service for local tax purposes
- In many cases, Texas requires services to be sourced to either the location from which the service originates or the customer location
- For some customers, our company made a change in interpretation of the

taxation or sourcing rules

- All sales taxes are collected from the customer and remitted to Texas

Cable Franchise Fee Changes

- Customers may see a change in the amount of **Cable Franchise Fees** billed
- These changes are most often due to a change in interpretation of the application or sourcing of the franchise fees
- Our company remits these franchise fees to local towns and cities

Federal Excise Tax and FUSF

- These tax types may also change for customers
- Changes in these tax types are due a change in our company's interpretation on how these taxes should be applied to the customer services
- These taxes are collected and remitted to the Federal Government

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