

FINANCE MEMORANDUM**Treatment of Internet Access Charges**

The New York City Utility Tax (Title 11, Ch. 11 of the Administrative Code of the City of New York) applies to receipts from furnishing or selling telecommunications services. It is the policy of the Department of Finance not to treat Internet access service as telecommunications services for Utility Tax purposes.

For this purpose, Internet access is the service of providing connection to the Internet, but only where such service entails the routing of Internet traffic by means of accepted Internet protocols. Charges for providing communications or navigation software, e-mail privileges, news headlines, space for a website and related website services in conjunction with an Internet connection as part of a combined charge will be considered a charge for Internet access service but only where such services are incidental to the provision of an Internet connection.

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