

Opposition grows to U.S. phone-tax hike

A Washington group battling a proposed hike in the Universal Service Fund telephone tax says complaints from irate citizens are pouring into the capital.

The Keep USF Fair Coalition said in a release Tuesday that some 563,000 letters and e-mail messages have been sent to government officials voicing opposition to an expected move by the Federal Communications Commission to bump the USF levy higher for an estimated 43 million Americans.

"Our coalition and the consumers who have joined us see no need for the FCC to abandon the current pay-for-what-you-use USF tax for a system under which 16 million people would face an increase even though they use little or no long distance," declared coalition Co-Chair Linda Sherry.

The organization, which includes various consumer groups and the Alliance for Public Technology, calls the expected increase a flat-tax, per-line levy that will unfairly raise monthly bills for low-income consumers and folks who make few, if any, long-distance calls.

They propose expanding the USF revenue base to include Voice over Internet Protocol and a contribution cap for providers of 12 percent to 15 percent of revenues.

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