

Exhibit H

Committee Substitute for Senate Bill 2831 (2022)

By: Senator(s) Harkins

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2831

1 AN ACT TO AMEND SECTIONS 27-65-3, 27-65-19, 27-65-23,
2 27-65-101, 27-67-3 AND 27-67-7, MISSISSIPPI CODE OF 1972, TO
3 CLARIFY THE PROVISIONS REGARDING THE TAXATION OF REMOTE AND
4 INTERNET-BASED COMPUTER SOFTWARE PRODUCTS AND SERVICES; AND FOR
5 RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 27-65-3, Mississippi Code of 1972, is
8 amended as follows:

9 27-65-3. The words, terms and phrases, when used in this
10 chapter, shall have the meanings ascribed to them herein.

11 (a) "Tax Commission" or "department" means the
12 Department of Revenue of the State of Mississippi.

13 (b) "Commissioner" means the Commissioner of Revenue of
14 the Department of Revenue.

15 (c) "Person" means and includes any individual, firm,
16 copartnership, joint venture, association, corporation, promoter
17 of a temporary event, estate, trust or other group or combination
18 acting as a unit, and includes the plural as well as the singular
19 in number. "Person" shall include husband or wife, or both, where



20 joint benefits are derived from the operation of a business taxed
21 hereunder. "Person" shall also include any state, county,
22 municipal or other agency or association engaging in a business
23 taxable under this chapter.

24 (d) "Tax year" or "taxable year" means either the
25 calendar year or the taxpayer's fiscal year.

26 (e) "Taxpayer" means any person liable for or having
27 paid any tax to the State of Mississippi under the provisions of
28 this chapter. A taxpayer is required to obtain a sales tax permit
29 under Section 27-65-27 before engaging in business in this state.
30 If a taxpayer fails to obtain a sales tax permit before engaging
31 in business in this state, the taxpayer shall pay the retail rate
32 on all purchases of tangible personal property and/or services in
33 this state, even if purchased for resale. Upon obtaining a sales
34 tax permit, a previously unregistered taxpayer shall file sales
35 tax returns for all tax periods during which he engaged in
36 business in this state without a sales tax permit, and report and
37 pay the sales tax accruing from his operation during this period
38 and any applicable penalties and interest. On such return, the
39 taxpayer may take a credit for any sales taxes paid during the
40 period he operated without a sales tax permit on a purchase that
41 would have constituted a wholesale sale if the taxpayer had a
42 sales tax permit at the time of the purchase and if proper
43 documentation exists to substantiate a wholesale sale. This
44 credit may also be allowed in any audit of the taxpayer. Any



45 penalties and interest owed by the taxpayer on the return or in an
46 audit for a period during which he operated without a sales tax
47 permit may be determined based on the sales tax accruing from the
48 taxpayer's operation for that period after the taking of this
49 credit.

50 (f) "Sale" or "sales" includes the barter or exchange
51 of property as well as the sale thereof for money or other
52 consideration, and every closed transaction by which the title to
53 taxable property passes shall constitute a taxable event.

54 "Sale" shall also include the passing of title to property
55 for a consideration of coupons, trading stamps or by any other
56 means when redemption is subsequent to the original sale by which
57 the coupon, stamp or other obligation was created.

58 The situs of a sale for the purpose of distributing taxes to
59 municipalities shall be the same as the location of the business
60 from which the sale is made except that:

61 (i) Retail sales along a route from a vehicle or
62 otherwise by a transient vendor shall take the situs of delivery
63 to the customer.

64 (ii) The situs of wholesale sales of tangible
65 personal property taxed at wholesale rates, the amount of which is
66 allowed as a credit against the sales tax liability of the
67 retailer, shall be the same as the location of the business of the
68 retailer receiving the credit.



69 (iii) The situs of wholesale sales of tangible
70 personal property taxed at wholesale rates, the amount of which is
71 not allowed as a credit against the sales tax liability of the
72 retailer, shall have a rural situs.

73 (iv) Income received from the renting or leasing
74 of property used for transportation purposes between cities or
75 counties shall have a rural situs.

76 (g) "Delivery charges" shall mean and include any
77 expenses incurred by a seller in acquiring merchandise for sale in
78 the regular course of business commonly known as "freight-in" or
79 "transportation costs-in." "Delivery charges" also include any
80 charges made by the seller for delivery of property sold to the
81 purchaser.

82 (h) "Gross proceeds of sales" means the value
83 proceeding or accruing from the full sale price of tangible
84 personal property, including installation charges, without any
85 deduction for delivery charges, cost of property sold, other
86 expenses or losses, or taxes of any kind except those expressly
87 exempt by this chapter.

88 "Gross proceeds of sales" includes consideration received by
89 the seller from third parties if:

90 (i) The seller actually received consideration
91 from a party other than the purchaser and the consideration is
92 directly related to a price reduction or discount on the sale;



93 (ii) The seller has an obligation to pass the
94 price reduction or discount through to the purchaser;

95 (iii) The amount of the consideration attributable
96 to the sale is fixed and determinable by the seller at the time of
97 the sale of the item to the purchaser; and

98 (iv) One (1) of the following criteria is met:

99 1. The purchaser presents a coupon,
100 certificate or other documentation to the seller to claim a price
101 reduction or discount where the coupon, certificate or
102 documentation is authorized, distributed or granted by a third
103 party with the understanding that the third party will reimburse
104 any seller to whom the coupon, certificate or documentation is
105 presented;

106 2. The purchaser identified himself or
107 herself to the seller as a member of a group or organization
108 entitled to a price reduction or discount (a "preferred customer"
109 card that is available to any patron does not constitute
110 membership in such a group); or

111 3. The price reduction or discount is
112 identified as a third-party price reduction or discount on the
113 invoice received by the purchaser or on a coupon, certificate or
114 other documentation presented by the purchaser.

115 Where a trade-in is taken as part payment on tangible
116 personal property sold, "gross proceeds of sales" shall include
117 only the difference received between the selling price of the



118 tangible personal property and the amount allowed for a trade-in
119 of property of the same kind. When the trade-in is subsequently
120 sold, the selling price thereof shall be included in "gross
121 proceeds of sales."

122 "Gross proceeds of sales" shall include the value of any
123 goods, wares, merchandise or property purchased at wholesale or
124 manufactured, and any mineral or natural resources produced, which
125 are withdrawn or used from an established business or from the
126 stock in trade for consumption or any other use in the business or
127 by the owner. However, "gross proceeds of sales" does not include
128 meals prepared by a restaurant and provided at no charge to
129 employees of the restaurant or donated to a charitable
130 organization that regularly provides food to the needy and the
131 indigent and which has been granted exemption from the federal
132 income tax as an organization described in Section 501(c)(3) of
133 the Internal Revenue Code of 1986.

134 "Gross proceeds of sales" shall not include bad check or
135 draft service charges as provided for in Section 97-19-57.

136 "Gross proceeds of sales" does not include finance charges,
137 carrying charges or any other addition to the selling price as a
138 result of deferred payments by the purchaser.

139 (i) "Gross income" means the total charges for service
140 or the total receipts (actual or accrued) derived from trades,
141 business or commerce by reason of the investment of capital in the
142 business engaged in, including the sale or rental of tangible



143 personal property, compensation for labor and services performed,
144 and including the receipts from the sales of property retained as
145 toll, without any deduction for rebates, cost of property sold,
146 cost of materials used, labor costs, interest paid, losses or any
147 expense whatever.

148 "Gross income" shall also include the cost of property given
149 as compensation when the property is consumed by a person
150 performing a taxable service for the donor.

151 However, "gross income" or "gross proceeds of sales" shall
152 not be construed to include the value of goods returned by
153 customers when the total sale price is refunded either in cash or
154 by credit, or cash discounts allowed and taken on sales. Cash
155 discounts shall not include the value of trading stamps given with
156 a sale of property.

157 (j) "Tangible personal property" means personal
158 property perceptible to the human senses or by chemical analysis
159 as opposed to real property or intangibles and shall include
160 property sold on an installed basis which may become a part of
161 real or personal property.

162 (k) "Installation charges" shall mean and include the
163 charge for the application of tangible personal property to real
164 or personal property without regard to whether or not it becomes a
165 part of the real property or retains its personal property
166 classification. It shall include, but not be limited to, sales in
167 place of roofing, tile, glass, carpets, drapes, fences, awnings,



168 window air-conditioning units, gasoline pumps, window guards,
169 floor coverings, carports, store fixtures, aluminum and plastic
170 siding, tombstones and similar personal property.

171 (1) "Newspaper" means a periodical which:

172 (i) Is not published primarily for advertising
173 purposes and has not contained more than seventy-five percent
174 (75%) advertising in more than one-half (1/2) of its issues during
175 any consecutive twelve-month period excluding separate advertising
176 supplements inserted into but separately identifiable from any
177 regular issue or issues;

178 (ii) Has been established and published
179 continuously for at least twelve (12) months;

180 (iii) Is regularly issued at stated intervals no
181 less frequently than once a week, bears a date of issue, and is
182 numbered consecutively; provided, however, that publication on
183 legal holidays of this state or of the United States and on
184 Saturdays and Sundays shall not be required, and failure to
185 publish not more than two (2) regular issues in any calendar year
186 shall not exclude a periodical from this definition;

187 (iv) Is issued from a known office of publication,
188 which shall be the principal public business office of the
189 newspaper and need not be the place at which the periodical is
190 printed and a newspaper shall be deemed to be "published" at the
191 place where its known office of publication is located;



192 (v) Is formed of printed sheets; provided,
193 however, that a periodical that is reproduced by the stencil,
194 mimeograph or hectograph process shall not be considered to be a
195 "newspaper"; and

196 (vi) Is originated and published for the
197 dissemination of current news and intelligence of varied, broad
198 and general public interest, announcements and notices, opinions
199 as editorials on a regular or irregular basis, and advertising and
200 miscellaneous reading matter.

201 The term "newspaper" shall include periodicals which are
202 designed primarily for free circulation or for circulation at
203 nominal rates as well as those which are designed for circulation
204 at more than a nominal rate.

205 The term "newspaper" shall not include a publication or
206 periodical which is published, sponsored by, is directly supported
207 financially by, or is published to further the interests of, or is
208 directed to, or has a circulation restricted, in whole or in part,
209 to any particular sect, denomination, labor or fraternal
210 organization or other special group or class or citizens.

211 For purposes of this paragraph, a periodical designed
212 primarily for free circulation or circulation at nominal rates
213 shall not be considered to be a newspaper unless such periodical
214 has made an application for such status to the department in the
215 manner prescribed by the department and has provided to the
216 department documentation satisfactory to the department showing



217 that such periodical meets the requirements of the definition of
218 the term "newspaper." However, if such periodical has been
219 determined to be a newspaper under action taken by the department
220 on or before April 11, 1996, such periodical shall be considered
221 to be a newspaper without the necessity of applying for such
222 status. A determination by the Department of Revenue that a
223 publication is a newspaper shall be limited to the application of
224 this chapter and shall not establish that the publication is a
225 newspaper for any other purpose.

226 (m) "MPC" or "Material Purchase Certificate" means a
227 certificate for which a person that is liable for the tax levy
228 under Section 27-65-21 can apply and obtain from the commissioner,
229 and when issued, entitles the holder to purchase materials and
230 services that are to become a component part of a structure to be
231 erected or repaired with no tax due. Any person taxable under
232 Section 27-65-21 who obtains an MPC for a project and purchases
233 materials and services in this state that are to become a
234 component part of a structure being erected or repaired in the
235 project and at any time pays sales tax on these purchases may,
236 after obtaining the MPC for the project, take a credit against his
237 sales taxes for the sales tax paid on these purchases if proper
238 documentation exists to substantiate the payment of the sales tax
239 on the purchase of component materials and services. This credit
240 may also be allowed in any audit of the taxpayer. Any penalties
241 and interest owed by the taxpayer on the return or in the audit



242 where this credit is taken may be determined based on the sales
243 tax due after the taking of this credit.

244 (n) "Software" means any computer program or routine,
245 or any set of one or more programs or routines, which are used or
246 intended for use to cause one or more computers, pieces of
247 computer-related peripheral equipment, automatic processing
248 equipment, or any combination thereof, to perform a task or set of
249 tasks. A "computer program" is a series of instructions that is
250 coded for acceptance or use by a computer system which is designed
251 to permit the computer system to process data and provide results
252 and information. The series of instructions may be contained in
253 or on magnetic tapes, printed instructions, or other tangible or
254 electronic media or downloaded via the internet. Neither data nor
255 the results or information from the processing of data constitute
256 computer software or a computer program.

257 **SECTION 2.** Section 27-65-19, Mississippi Code of 1972, is
258 amended as follows:

259 27-65-19. (1) (a) (i) Except as otherwise provided in
260 this subsection, upon every person selling to consumers,
261 electricity, current, power, potable water, steam, coal, natural
262 gas, liquefied petroleum gas or other fuel, there is hereby
263 levied, assessed and shall be collected a tax equal to seven
264 percent (7%) of the gross income of the business. Provided, gross
265 income from sales to consumers of electricity, current, power,
266 natural gas, liquefied petroleum gas or other fuel for residential



267 heating, lighting or other residential noncommercial or
268 nonagricultural use, and sales of potable water for residential,
269 noncommercial or nonagricultural use shall be excluded from
270 taxable gross income of the business. Provided further, upon
271 every such seller using electricity, current, power, potable
272 water, steam, coal, natural gas, liquefied petroleum gas or other
273 fuel for nonindustrial purposes, there is hereby levied, assessed
274 and shall be collected a tax equal to seven percent (7%) of the
275 cost or value of the product or service used.

276 (ii) Gross income from sales to a church that is
277 exempt from federal income taxation under 26 USCS Section
278 501(c) (3) of electricity, current, power, natural gas, liquefied
279 petroleum gas or other fuel for heating, lighting or other use,
280 and sales of potable water to such a church shall be excluded from
281 taxable gross income of the business if the electricity, current,
282 power, natural gas, liquefied petroleum gas or potable water is
283 utilized on property that is primarily used for religious or
284 educational purposes.

285 (b) (i) There is hereby levied, assessed and shall be
286 collected a tax equal to one and one-half percent (1-1/2%) of the
287 gross income of the business from the sale of naturally occurring
288 carbon dioxide and anthropogenic carbon dioxide lawfully injected
289 into the earth for:



290 1. Use in an enhanced oil recovery project,
291 including, but not limited to, use for cycling, repressuring or
292 lifting of oil; or

293 2. Permanent sequestration in a geological
294 formation.

295 (ii) The one and one-half percent (1-1/2%) rate
296 provided for in this subsection shall apply to electricity,
297 current, power, steam, coal, natural gas, liquefied petroleum gas
298 or other fuel that is sold to a producer of oil and gas for use
299 directly in enhanced oil recovery using carbon dioxide and/or the
300 permanent sequestration of carbon dioxide in a geological
301 formation.

302 (c) The one and one-half percent (1-1/2%) rate provided
303 for in this subsection shall not apply to sales of fuel for
304 automobiles, trucks, truck-tractors, buses, farm tractors or
305 airplanes.

306 (d) (i) Upon every person providing services in this
307 state, there is hereby levied, assessed and shall be collected:

308 1. A tax equal to seven percent (7%) of the
309 gross income received from all charges for intrastate
310 telecommunications services.

311 2. A tax equal to seven percent (7%) of the
312 gross income received from all charges for interstate
313 telecommunications services.



314 3. A tax equal to seven percent (7%) of the
315 gross income received from all charges for international
316 telecommunications services.

317 4. A tax equal to seven percent (7%) of the
318 gross income received from all charges for ancillary services.

319 5. A tax equal to seven percent (7%) of the
320 gross income received from all charges for products delivered
321 electronically, including, but not limited to, software, music,
322 games, reading materials or ring tones.

323 (ii) A person, upon proof that he has paid a tax
324 in another state on an event described in subparagraph (i) of this
325 paragraph (d), shall be allowed a credit against the tax imposed
326 in this paragraph (d) on interstate telecommunications service
327 charges to the extent that the amount of such tax is properly due
328 and actually paid in such other state and to the extent that the
329 rate of sales tax imposed by and paid in such other state does not
330 exceed the rate of sales tax imposed by this paragraph (d).

331 (iii) Charges by one (1) telecommunications
332 provider to another telecommunications provider holding a permit
333 issued under Section 27-65-27 for services that are resold by such
334 other telecommunications provider, including, but not limited to,
335 access charges, shall not be subject to the tax levied pursuant to
336 this paragraph (d).

337 (iv) For purposes of this paragraph (d):

338 1. "Telecommunications service" means the
339 electronic transmission, conveyance or routing of voice, data,
340 audio, video or any other information or signals to a point, or
341 between points. The term "telecommunications service" includes
342 such transmission, conveyance or routing in which computer
343 processing applications are used to act on the form, code or
344 protocol of the content for purposes of transmission, conveyance
345 or routing without regard to whether such service is referred to
346 as voice over Internet protocol services or is classified by the
347 Federal Communications Commission as enhanced or value added. The
348 term "telecommunications service" shall not include:

349 a. Data processing and information
350 services that allow data to be generated, acquired, stored,
351 processed or retrieved and delivered by an electronic transmission
352 to a purchaser where such purchaser's primary purpose for the
353 underlying transaction is the processed data or information;

354 b. Installation or maintenance of wiring
355 or equipment on a customer's premises;

356 c. Tangible personal property;

357 d. Advertising, including, but not
358 limited to, directory advertising;

359 e. Billing and collection services
360 provided to third parties;

361 f. Internet access service;



362 g. Radio and television audio and video
363 programming services regardless of the medium, including the
364 furnishing of transmission, conveyance and routing of such
365 services by the programming service provider. Radio and
366 television audio and video programming services shall include, but
367 not be limited to, cable service as defined in 47 USCS 522(6) and
368 audio and video programming services delivered by commercial
369 mobile radio service providers, as defined in 47 CFR 20.3;

370 h. Ancillary services; or

371 i. Digital products delivered
372 electronically, including, but not limited to, software, music,
373 video, reading materials or ring tones.

374 2. "Ancillary services" means services that
375 are associated with or incidental to the provision of
376 telecommunications services, including, but not limited to,
377 detailed telecommunications billing, directory assistance,
378 vertical service and voice mail service.

379 a. "Conference bridging" means an
380 ancillary service that links two (2) or more participants of an
381 audio or video conference call and may include the provision of a
382 telephone number. Conference bridging does not include the
383 telecommunications services used to reach the conference bridge.

384 b. "Detailed telecommunications billing
385 service" means an ancillary service of separately stating



386 information pertaining to individual calls on a customer's billing
387 statement.

388 c. "Directory assistance" means an
389 ancillary service of providing telephone number information and/or
390 address information.

391 d. "Vertical service" means an ancillary
392 service that is offered in connection with one or more
393 telecommunications services, which offers advanced calling
394 features that allow customers to identify callers and to manage
395 multiple calls and call connections, including conference bridging
396 services.

397 e. "Voice mail service" means an
398 ancillary service that enables the customer to store, send or
399 receive recorded messages. Voice mail service does not include
400 any vertical services that the customer may be required to have in
401 order to utilize the voice mail service.

402 3. "Intrastate" means telecommunications
403 service that originates in one (1) United States state or United
404 States territory or possession, and terminates in the same United
405 States state or United States territory or possession.

406 4. "Interstate" means a telecommunications
407 service that originates in one (1) United States state or United
408 States territory or possession, and terminates in a different
409 United States state or United States territory or possession.



410 5. "International" means a telecommunications
411 service that originates or terminates in the United States and
412 terminates or originates outside the United States, respectively.

413 6. Software maintained on a server, computer
414 or equipment located outside the state and accessed by a person or
415 from a location in this state via the internet is not considered
416 delivered into Mississippi and is not subject to tax under this
417 chapter.

418 (v) For purposes of paragraph (d), the following
419 sourcing rules shall apply:

420 1. Except for the defined telecommunications
421 services in item 3 of this subparagraph, the sales of
422 telecommunications services sold on a call-by-call basis shall be
423 sourced to:

424 a. Each level of taxing jurisdiction
425 where the call originates and terminates in that jurisdiction, or

426 b. Each level of taxing jurisdiction
427 where the call either originates or terminates and in which the
428 service address is also located.

429 2. Except for the defined telecommunications
430 services in item 3 of this subparagraph, a sale of
431 telecommunications services sold on a basis other than a
432 call-by-call basis, is sourced to the customer's place of primary
433 use.



434 3. The sale of the following
435 telecommunications services shall be sourced to each level of
436 taxing jurisdiction as follows:

437 a. A sale of mobile telecommunications
438 services other than air-to-ground radiotelephone service and
439 prepaid calling service is sourced to the customer's place of
440 primary use as required by the Mobile Telecommunication Sourcing
441 Act.

442 A. A home service provider shall be
443 responsible for obtaining and maintaining the customer's place of
444 primary use. The home service provider shall be entitled to rely
445 on the applicable residential or business street address supplied
446 by such customer, if the home service provider's reliance is in
447 good faith; and the home service provider shall be held harmless
448 from liability for any additional taxes based on a different
449 determination of the place of primary use for taxes that are
450 customarily passed on to the customer as a separate itemized
451 charge. A home service provider shall be allowed to treat the
452 address used for purposes of the tax levied by this chapter for
453 any customer under a service contract in effect on August 1, 2002,
454 as that customer's place of primary use for the remaining term of
455 such service contract or agreement, excluding any extension or
456 renewal of such service contract or agreement. Month-to-month
457 services provided after the expiration of a contract shall be
458 treated as an extension or renewal of such contract or agreement.



459 B. If the commissioner determines
460 that the address used by a home service provider as a customer's
461 place of primary use does not meet the definition of the term
462 "place of primary use" as defined in subitem a.A. of this item 3,
463 the commissioner shall give binding notice to the home service
464 provider to change the place of primary use on a prospective basis
465 from the date of notice of determination; however, the customer
466 shall have the opportunity, prior to such notice of determination,
467 to demonstrate that such address satisfies the definition.

468 C. The department has the right to
469 collect any taxes due directly from the home service provider's
470 customer that has failed to provide an address that meets the
471 definition of the term "place of primary use" which resulted in a
472 failure of tax otherwise due being remitted.

473 b. A sale of postpaid calling service is
474 sourced to the origination point of the telecommunications signal
475 as first identified by either:

476 A. The seller's telecommunications
477 system; or

478 B. Information received by the
479 seller from its service provider, where the system used to
480 transport such signals is not that of the seller.

481 c. A sale of a prepaid calling service
482 or prepaid wireless calling service shall be subject to the tax
483 imposed by this paragraph if the sale takes place in this state.



484 If the customer physically purchases a prepaid calling service or
485 prepaid wireless calling service at the vendor's place of
486 business, the sale is deemed to take place at the vendor's place
487 of business. If the customer does not physically purchase the
488 service at the vendor's place of business, the sale of a prepaid
489 calling card or prepaid wireless calling card is deemed to take
490 place at the first of the following locations that applies to the
491 sale:

492 A. The customer's shipping address,
493 if the sale involves a shipment;
494 B. The customer's billing address;
495 C. Any other address of the
496 customer that is known by the vendor; or
497 D. The address of the vendor, or
498 alternatively, in the case of a prepaid wireless calling service,
499 the location associated with the mobile telephone number.

500 4. A sale of a private communication service
501 is sourced as follows:

502 a. Service for a separate charge related
503 to a customer channel termination point is sourced to each level
504 of jurisdiction in which such customer channel termination point
505 is located.

506 b. Service where all customer
507 termination points are located entirely within one (1)
508 jurisdiction or levels of jurisdiction is sourced in such



509 jurisdiction in which the customer channel termination points are
510 located.

511 c. Service for segments of a channel
512 between two (2) customer channel termination points located in
513 different jurisdictions and which segments of a channel are
514 separately charged is sourced fifty percent (50%) in each level of
515 jurisdiction in which the customer channel termination points are
516 located.

517 d. Service for segments of a channel
518 located in more than one (1) jurisdiction or levels of
519 jurisdiction and which segments are not separately billed is
520 sourced in each jurisdiction based on the percentage determined by
521 dividing the number of customer channel termination points in such
522 jurisdiction by the total number of customer channel termination
523 points.

524 5. A sale of ancillary services is sourced to
525 the customer's place of primary use.

526 (vi) For purposes of subparagraph (v) of this
527 paragraph (d):

528 1. "Air-to-ground radiotelephone service"
529 means a radio service, as that term is defined in 47 CFR 22.99, in
530 which common carriers are authorized to offer and provide radio
531 telecommunications service for hire to subscribers in aircraft.



532 2. "Call-by-call basis" means any method of
533 charging for telecommunications services where the price is
534 measured by individual calls.

535 3. "Communications channel" means a physical
536 or virtual path of communications over which signals are
537 transmitted between or among customer channel termination points.

538 4. "Customer" means the person or entity that
539 contracts with the seller of telecommunications services. If the
540 end user of telecommunications services is not the contracting
541 party, the end user of the telecommunications service is the
542 customer of the telecommunications service. Customer does not
543 include a reseller of telecommunications service or for mobile
544 telecommunications service of a serving carrier under an agreement
545 to serve the customer outside the home service provider's licensed
546 service area.

547 5. "Customer channel termination point" means
548 the location where the customer either inputs or receives the
549 communications.

550 6. "End user" means the person who utilizes
551 the telecommunications service. In the case of an entity, "end
552 user" means the individual who utilizes the service on behalf of
553 the entity.

554 7. "Home service provider" has the meaning
555 ascribed to such term in Section 124(5) of Public Law 106-252
556 (Mobile Telecommunications Sourcing Act).

