

or facilities described or referred to in section 500, subdivisions (f) and (g), of the act.

Therefore, where the lessee of a leased wire or talking circuit special service transmits messages for hire, he is a carrier of such messages and liable to the provisions of the act relative to the collection, report, and payment of the taxes thereon.

ORIGIN OF MESSAGE DETERMINES TAXABILITY.

ART. 3. Originating within the United States.—The tax is upon the transmission by telephone, telegraph, radio, or cable of dispatches, messages, and conversations *originating within the United States*.

Messages transmitted from a point within the United States to a point without the United States are subject to the provisions of the act unless sent with charges "reversed" or "collect." Messages transmitted from a point without the United States to a point within the United States are not subject to the tax, unless sent with charges "reversed" or "collect."

The term "United States" includes the States, the Territories of Alaska and Hawaii, and the District of Columbia; it also includes all inland waters (such as rivers, lakes, bays, etc.) lying wholly within the United States, and, where an international boundary line divides inland waters, the parts of such inland waters as lie within the boundary of the United States; and also the waters known as a marine league from low tide on the coast line. Radio messages sent from ships within the above limits are therefore subject to the provisions of the act.

ART. 4. Reversed or collect messages.—The point of origin of messages transmitted with charges "reversed" or "collect" is the point at which the charge is collectible; that is, the point of receipt of the message by the addressee.

ART. 5. Originating on or after April 1, 1919.—The tax is imposed upon the transmission by telephone, telegraph, radio, or cable of dispatches, messages, and conversations originating on or after April 1, 1919. The time of the payment of the charge is immaterial.

BASIS, RATE, AND COMPUTATION OF TAX.

ART. 6. Basis, rate, and computation of tax.—The basis for the computation of the tax is the *amount of the charge* for the transmission of the message. (As to the meaning of transmission, see art. 1.) The term "the charge" means the amount charged by the carrier for the transmission of the particular message. Such charge may be due in money, services or in any other valuable consideration.

Only two amounts of tax are provided, 5 cents and 10 cents, imposed as follows:

(1) 5 cents on messages the charge for the transmission of which is more than 14 cents and not more than 50 cents;

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