

**INTERNATIONAL INTERACTIVE  
TRAINING SEMINAR****STUDY PERIOD 2010-2013****English only  
Original: English**

---

**STUDY GROUP SPECIAL G – CONTRIBUTION 45****Source:** Congo**Title:** Oppose taxation of service providers to support GTO

---

**ABSTRACT**

The new GTO will need sources of revenue to fund its ongoing operation. Those sources should be from those who have chosen to support GTO by joining or from those who purchase GTO products and services. Private sector companies engaged in international telecommunication are in a competitive market, serving the needs of their customers, and have no obligation to support a producer of voluntary standards to which they have no relationship.

**Introduction**

The GTO will collect revenues in the form of dues from the Member States, Sector Members and Associates who choose to join GTO, and revenues from the sale of products such as the voluntary standards developed by GTO. If those sources are not sufficient, some have proposed imposing a tax on any company providing international telecommunication services or products used by those service providers.

**Discussion**

The standards produced by GTO are voluntary standards. Equipment manufacturers and service providers, responding to the needs of their customers might or might not use GTO standards, and of the many thousands of such companies, probably very few are even aware of GTO and what it does. Additionally, those companies operate their businesses within certain countries, usually more than one, and are subject to the laws of those countries, including laws regarding taxation. Those companies are not under the jurisdiction of international organizations, unless there are treaty-level agreements to which their own governments are subject. That is not the case here, and therefore, GTO has no right to impose taxes on those companies.

**Conclusion**

Attempts by GTO to impose taxes on international telecommunication service providers or on equipment used by those service providers cannot be not supported.

---