



# AmeriMex Communications <sup>sm</sup>

March 16, 2001

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**Via Hand Delivery**

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

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**MAR 19 2001**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**RE: Association of Communications Enterprises  
Petition for Preemption of City of Montgomery, Alabama Taxation Policy  
CC Docket No. 01-40**

Dear Ms. Salas:

AmeriMex Communications Corp. ("AmeriMex") submits this letter in support of the above-captioned petition of the Association of Communications Enterprises ("ASCENT") for preemption of the City of Montgomery's telecommunications license and privilege tax. AmeriMex provides resold local telephone services to residential customers in three states. Like many new entrants in the local telephone market, however, AmeriMex has been reluctant to provide service in Montgomery, Alabama due to that city's anticompetitive license and privilege tax.

As discussed by ASCENT in its petition, Montgomery has chosen to impose the maximum annual license tax that municipalities may impose on telecommunications service providers allowed by Alabama state law. The result of this policy is that new market entrants such as AmeriMex must pay the same maximum flat license tax of \$12,000 per year as Bell South, the incumbent local exchange carrier in Montgomery. This "one size fits all" flat tax bears no relation to the revenue earned or subscribers served by a carrier in Montgomery. The effect of this tax is to discourage companies such as AmeriMex from entering the local telephone market in Montgomery, thereby depriving Montgomery citizens of the benefits of competition. AmeriMex also fears that states may adopt a similar tax, further delaying local telephone competition in residential markets.

For all of these reasons, AmeriMex urges the Commission to grant the ASCENT petition and preempt the City of Montgomery's anticompetitive taxation policy.

Sincerely,

Donald L. Aldridge  
President

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