



AMERICANS FOR TAX REFORM

LEGISLATIVE ALERT

1920 L STREET, N.W. - SUITE 200 - WASHINGTON, D.C. 20036 - 202-785-0266 - [HTTP://WWW.ATR.ORG](http://www.ATR.ORG)

Ensure the Internet is Tax Free

This Monday the Senate will vote on a Motion to Proceed to S.150, the Internet Tax Non-Discrimination Act. Voting against the Motion to Proceed will prevent the Senate from considering a bill that will extend the moratorium on Internet access taxes.

Because passage of a moratorium on Internet taxation is a top priority of American taxpayers, Americans for Tax Reform (ATR) will double rate any vote against the Motion to Proceed. In addition, ATR will double rate any votes in favor of amendments that significantly alter the compromise legislation. Therefore, it will be difficult or impossible to receive ATR's annual Friend of the Taxpayer award by voting against a ban on Internet access taxes.

In 1998, Congress acted to put an end to taxes that unfairly single out the Internet. However, the current moratorium expired on November 1, 2003. Congress must act quickly to enact S.150, which eliminates taxes on Internet access, double-taxation of a product or service bought over the Internet, and discriminatory taxes that treat Internet purchases differently than other types of sales.

Supporters of S. 150 have worked tirelessly to address the concerns expressed by State and local groups surrounding their existing tax base for telecommunication services as well as property, income, and corporate taxes. These negotiations have led to the compromise offered by Sen. McCain. **However, some groups that want to tax the Internet have used these negotiations to stall passage of a ban on Internet access taxes.**

By ensuring that the Internet remains tax-free, individuals and small businesses that could not afford access to the Internet have begun to share in the wealth of opportunities that the World Wide Web has offered. ATR is committed to seeing this trend continue, and the Internet is not burdened with taxes and regulations, harming future growth and innovation.

**ATR WILL RATE THESE VOTES IN
OUR ANNUAL CONGRESSIONAL
RATINGS BOOK**