



# NEWS

## AMERICANS FOR TAX REFORM

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## Taxpayers to Senate: Don't Tax the Internet, Support McCain Compromise

*ATR calls on Senate to pass permanent extension of Internet tax moratorium.*

WASHINGTON- During a press conference today, Americans for Tax Reform (ATR) warned against allowing states and localities to tax Internet access and usage and supported a compromise offered by Sen. John McCain to S. 150, the Internet Non-Discrimination Act. The compromise will extend the expired moratorium on Internet access taxes, phase out taxes on Digital Subscriber Lines ("DSL") that states had started to collect, and address concerns about the treatment of Voice Over Internet Protocol (VOIP).

Because Internet taxes are complicated, unfair, and an immense burden on the economy ATR, the nations leading taxpayer advocacy organization, has consistently and strongly supported the efforts of President Bush and Senator Allen to protect all Americans from taxes on Internet access. Unfortunately, a handful of Senators, led by Lamar Alexander (R-TN) and backed by the National Governors Association, oppose the McCain compromise amendment are holding up passage of a moratorium on Internet access taxes.

**"I would think that Senator Alexander and his merry band of tax-the-Internet colleagues would recognize that American consumers and small business do not need another tax burden,"** said Norquist, president of ATR **"If Senator Alexander gets his way; consumers will be looking at regulation restricting Internet access, as well as increased taxes."**

While ATR is disappointed that the new amendment does not provide for a permanent moratorium on Internet taxes, Senators should support Sen. McCain's compromise to extend the moratorium in order to keep access taxes off of the Internet.

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.**

**"The Senate must recognize the need for Internet access to remain tax free to continue its growth and success"** said Norquist. **"Ensuring that the Internet remains tax free allows all Americans to continue to share in the wealth of opportunities that the World Wide Web has offered."**

The Internet is flourishing for many reasons, but one of the biggest reasons for its success is the lack of government regulations, mandates, and taxes. ATR is committed to seeing this trend continue, and to ensure that the Internet is not burdened with taxes and regulations, harming future growth and innovation.

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal and state tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at [jcollegio@atr.org](mailto:jcollegio@atr.org).

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