



NEWS

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Tax-Free Internet Access Gets a New Lease on Life

93-3 Senate vote saves the Internet from crippling taxes for four more years

WASHINGTON—Today Americans for Tax Reform announced a major victory for taxpayers, as yesterday's 93-3 Senate vote in favor of an Internet tax moratorium will save consumers from the string of taxes currently tacked on to the end of their phone bills.

Late on Thursday, the McCain substitute for S.150, the Internet Tax Non-Discrimination Act, passed the Senate overwhelmingly. A similar, though even more taxpayer-friendly measure has already passed the House. The measure finally passed yesterday phases out Digital Subscriber Line (DSL) taxes within two years, making the new moratorium more technologically neutral than the one that expired last November.

"For another four years, Americans have a new reprieve from the litany of taxes and fees that are currently taking up a whole page on their phone bills," said Grover Norquist, taxpayer advocate and president of Americans for Tax Reform. **"The tech-sector engine of job creation can continue humming without damaging and punishing new state and local taxes."**

ATR has consistently argued for a permanent ban that repeals the grandfathered taxes that now exist in seven states. Though the compromise passed last night falls short in these two areas, the next four years will provide more opportunities to pass a permanent ban with no geographic exceptions, the group says.

The National Governors Association, Sen. Lamar Alexander (R-Tenn.) and Sen. Tom Carper (D-Del.) were behind the effort to derail an Internet tax ban with teeth, often fighting through procedural and other low-visibility methods. In the end, once the procedural hurdles were cleared, very few senators felt comfortable voting against the compromise, some despite arguing against the measure only days before.

"We are enormously pleased that so many senators in the end made the right decision on Internet tax freedom," Norquist added. **"We knew that if we could get the measure before the Senate for a straight vote, few would be willing to vote in favor of higher taxes for their constituents. To all those who came over and voted with taxpayers at the very end, we say thank you. We're happy for you to join us on the side of the American taxpayer, even if in some cases your stay will be brief."**

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