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## Federal Bill to States: Keep Your Hands to Yourself

*Business Activity Simplification Act Protects Businesses from Taxation without Representation*

WASHINGTON, D.C. – Thursday the House Small Business Committee held a hearing on HR 5267, the Business Activity Simplification Act (BATSA). Introduced by Representatives Rick Boucher (D-VA) and Bob Goodlatte (R-VA) BATSA would ensure a state government is not able to tax businesses that have no physical presence in that state. Thursday's hearing featured small business owners most heavily affected by business activity taxes.

Rep. Goodlatte describes the purpose of BATSA as: "This legislation sets specific guidelines for when an out-of-state business may be charged a tax for doing business in a state. Just because a website can be accessed by consumers in a certain state, doesn't mean that state should be able to collect taxes from the website owner. This legislation focuses on allowing the Internet and the commerce that it facilitates to expand, by eliminating excessive taxes that harm on-line growth."

"States lawmakers have learned that their constituents do not appreciate higher taxes. In order to get around this pesky problem, they are turning increasingly to taxing those who cannot vote in the state," said Grover Norquist, president of Americans for Tax Reform. "Business Activity Taxes are not only a threat to interstate commerce, but they are walls against entrepreneurship and economic growth."

The Business Activity Tax Simplification Act of 2008 is co-sponsored by Congressmen Artur Davis (D-AL), Chabot (R-OH), Herseth Sandlin (D-SD), Feeney (R-FL), Jackson-Lee (D-TX), Gallegly (R-CA), Hank Johnson (D-GA), Pence (R-IN), Lofgren (D-CA), Bobby Scott (D-VA) and Wexler (D-FL).

"I commend Representatives Boucher and Goodlatte for introducing the Business Activity Tax Simplification Act and for reminding states that Americans are not fans of taxation without representation," continued Norquist. "I urge the Judiciary Committee and all members of Congress to support the bright-line physical presence test drawn by BATSA."

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

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