



NEWS

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FLORIDA HOUSE REJECTS TAX CARTEL

***** Speaker Johnnie Byrd Champions Taxpayer Interests *****

WASHINGTON, D.C. – Americans for Tax Reform (ATR) applauds House Speaker Johnnie Byrd and other House Republicans for their principled opposition to the Streamlined Sales Tax Project (SSTP) and for refusing to adopt tax code changes recommended by SSTP.

On June 16, 2003 ATR's President Grover Norquist attended meetings with Speaker Byrd and members of the House Republican Caucus.

"I was very encouraged to hear their arguments against adopting SSTP provisions," commented Norquist. "They understand that adopting these code changes would pave the way for higher taxes. Codifying a honey-roasted peanut a 'snack food' could affect its tax status, for example, if it was previously codified differently.

"I strongly recommend that other state legislatures follow the Florida House's lead and listen carefully to the arguments made against SSTP.

"True simplification is very simple: reduce the number of codes, reduce the burden of taxation, and reduce government's impact on the market. But simplification is not the goal of SSTP.

"SSTP would make state tax codes more closely resemble each other, so that states could collect sales taxes from consumers who reside in other states. The Supreme Court clarified the legality of this effort decades ago when it ruled that consumers must pay sales taxes only if the business with which they transact has a physical presence, or nexus, in their state.

"SSTP circumvents the Supreme Court's ruling by allowing states to collect sales taxes from consumers who transact with businesses in their states, regardless of whether the consumer resides in a state where the business has a nexus. By 'simplifying' participating states' tax codes, SSTP makes interstate taxation more simple to implement," concluded Norquist.

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.