



NEWS

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Senators Lamar “Sundquist” Alexander And George Voinovich Kill Internet Tax Moratorium

Taxpayer group blasts Senators’ efforts to kill legislation that permanently extends Internet access tax moratorium.

WASHINGTON — Today the Senate adjourned without voting on S. 150, the Internet Tax Non-Discrimination Act. **Because Internet taxes are complicated, unfair, and an immense burden on the economy Americans for Tax Reform (ATR), the nations leading taxpayer advocacy organization, strongly opposes the efforts of Senators Lamar Alexander, George Voinovich, and other State and local tax collector groups to kill S. 150 and allow states to tax the Internet.**

“Now that Senators Alexander and Voinovich have succeeded in killing the moratorium on Internet taxes, all future taxes on Internet access should be known as Lamar “Sundquist” Alexander net taxes,” said Grover Norquist, President of ATR. “Clearly the Senators are more concerned about protecting tax collectors instead of taxpayers. Their actions are preventing the elimination of taxes on Internet access, double-taxation of a product or service bought over the Internet, and discriminatory taxes that treat Internet purchases differently from other types of purchases.”

In 1998, and more recently in 2001, Congress acted to put an end to taxes that unfairly single out the Internet. However, because Senators Alexander and Voinovich prevented the Senate from passing a new ban on Internet access taxes and multiple and discriminatory taxes, Americans now face the prospects of paying taxes on everything from email to instant messages and filters for spam or junk email. Not only that, these taxes will hit schools, libraries, hospitals and families - those who use the Internet for research, education, and, most critically, communication.

“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,” said Norquist. “However, Senators Alexander and Voinovich have decided to allow states to implement Internet taxes that are complicated, unfair, and an immense burden on the economy and harm future growth and innovation.”

Supporters of the legislation have worked tirelessly to address the concerns expressed by the Senators, State and local groups surrounding their existing tax base for telecommunication services as well as property, income, and corporate taxes. **However, these individuals have used these negotiations to stall passage of a permanent ban on Internet access taxes in order to achieve their true desire and tax the Internet.**

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 Jonathan Collegio at (202) 785-0266 or by e-mail at jcollegio@atr.org.