



AMERICANS
for TAX REFORM

February 3, 2010

To: All Members of the U.S. Senate

Re: Support for S. 1147, the Prevent All Cigarette Trafficking Act (PACT Act)

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Dear U.S. Senator,

I write to offer Americans for Tax Reform's support for S. 1147, the "Prevent All Cigarette Trafficking Act" (PACT Act).

The bill would revise several provisions of the more than sixty year-old Jenkins Act which governs the collection of taxes on, and trafficking in, cigarettes and smokeless tobacco. In tightening up relevant provisions in the Act, the PACT Act represents a prudent way to address the issue of illegal sales of tobacco products.

Passing this Act may alleviate some of the budgetary pressures many states are facing in the wake of years of fiscal profligacy and chronic overspending. As the country is digging out from a recession, states all across America are currently faced with pressures to increase taxes on their constituents as unlike the Federal government, they do not have the option of running deficits.

Recovering additional revenue resulting from increased compliance under this Act may not only help relieve some of that pressure to raise taxes, but could and should be used to provide taxpayers with badly needed tax relief as they are struggling to make ends meet in these tough economic times.

As you look to address the issue of illicit tobacco sales, I hope that you will support the PACT Act, which represents a common sense approach to strengthen and properly enforce existing law and has the potential to benefit taxpayers at the state level by reducing pressure to raise revenues through damaging tax hikes.

Onward,

Grover Norquist