



NEWS

AMERICANS FOR TAX REFORM

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FOR IMMEDIATE RELEASE
29 JUNE, 2005

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ATR Hails Senate Committee Passage of Spanish-American War Tax Repeal

Legislation would repeal 108-year-old “temporary” tax

WASHINGTON – The Senate Finance Committee Wednesday approved legislation to end the 3 percent federal tax on telecommunications. The legislation, S. 1321, sponsored by Sen. Rick Santorum (R-PA) will now be placed on the calendar for action by the full Senate.

While the Spanish-American War tax was originally billed as a temporary, luxury tax in 1898, when only the wealthiest Americans had phones, the telephone is now a ubiquitous part of American life. The tax is therefore highly regressive, as it represents a greater share of the income of poorer Americans.

“I applaud the Senate Finance Committee for moving forward on doing away with this antiquated and unpopular tax,” said taxpayer advocate Grover Norquist. **“I encourage the House Ways and Means Committee to follow suit so that we can give Americans another tax cut this year.”**

S. 1321 currently has 17 cosponsors in the Senate. Similar legislation in the House, H.R. 1898, sponsored by Rep. Gary Miller (R-CA), has 200 cosponsors.

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 Christopher Butler at (202) 785-0266 or by email at cbutler@atr.org.