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| Grover G. Norquist  *President*    November 8, 2016   |  |  | | --- | --- | | The Honorable Paul Ryan  Speaker of the House  H-232 The Capitol  Washington, DC 20515    The Honorable Steve Scalise  House Majority Whip  H-329 The Capitol  Washington, DC 20515 | The Honorable Kevin McCarthy  House Majority Leader  H-107 The Capitol  Washington, DC 20515    The Honorable Bob Goodlatte  Chairman, House Judiciary Committee  2240 Rayburn House Office Building  Washington, DC 20515 | |

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| Dear Speaker Ryan, Majority Leader McCarthy, Majority Whip Scalise & Chairman Bob Goodlatte:    I urge you to bring the Digital Goods and Services Tax Fairness Act (HR 1643) to the floor for a vote.  **In addition to being good policy, it is bipartisan and broadly supported by advocacy groups and industry.**  It prevents double taxation and holds policy makers accountable for enacting new taxes by establishing digital tax borders across the fifty states. Given the interstate nature of ecommerce, it is important for Congress to clarify taxing authority.    Without a framework of digital borders for digital goods and services, the door remains open for a single consumer purchase to be taxed in multiple states.    For example, a consumer based in Nebraska could purchase a digital good from a California company located on a server in Wyoming and could be subject to taxes from three separate jurisdictions for one purchase, if HR 1643 is not passed into law.    Taxation of intangible goods is without precedent. As a result, a patchwork of varying laws for taxing digital goods, streaming services and apps have developed by administrative fiat rather than a vote from elected officials.    Numerous states have expanded the definition of a good or service through the various departments of revenue or other administrative bodies, bypassing the elected state legislators altogether. There must be a mechanism in place to hold these policymakers accountable to their constituents.    HR 1643 passed out of the House Committee on the Judiciary by voice vote.  **We look forward to seeing this non-controversial legislation on the House floor before the end of this year.**    If you should have any questions regarding this issue please contact me, or Katie McAuliffe at [kmcauliffe@atr.org](http://undefined/) or 202-785-0266. |

Onward,



Grover G. Norquist

Cc: All members