



## AMERICANS *for* TAX REFORM

Grover G. Norquist  
*President*

June 16, 2014

Dear Representatives:

On behalf of Americans for Tax Reform and Digital Liberty, **I encourage your co-sponsorship of the Permanent Internet Tax Freedom Act (PITFA), H.R. 3086, and to vote for it as a stand-alone bill when it comes to the floor for a vote.**

The clock is ticking. On November 14<sup>th</sup>, 2014 the Internet Tax Freedom Act expires. Versions of this legislation have continuously been reauthorized since 1998. The Act prohibits taxation on Internet access and prohibits discriminatory taxation of e-commerce. States who already had access taxes on the books were grandfathered in with the intention to phase out this tax. However, these taxes are still in effect, and other states are prepared with access taxes that begin collection as soon as the Internet Freedom Act expires.

You have the opportunity to protect your constituents from an unnecessary barrier to the most self-improving technology that has existed thus far. PITFA as introduced by Chairman Goodlatte and Representative Eshoo, will make the Internet Tax Freedom Act permanent.

**Taxation of communications services is punitive and discriminatory.** The average sales tax rate on voice services is 17 percent, and 12 percent on video services, while the average general sales tax rate is 7 percent. PITFA would at the very least prevent targeted taxes on Internet access, and disproportionate sales or other taxes on e-commerce.

Increased costs hinder continued growth in the digital space. As reported by the FCC's National Broadband Plan, the largest barrier to consumer adoption and expanded use of Internet based services is cost. Allowing higher costs through Internet access taxes, which increase consumer cost and affect the rate of adoption, undermines America's economic competitiveness.

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The Internet is our greatest gateway to knowledge. **Support your constituents' individual ability for self-advancement by co-sponsoring PITFA, and giving it your vote when it comes to the floor as stand-alone legislation.**

Please contact Katie McAuliffe by email, [kmcauliffe@atr.org](mailto:kmcauliffe@atr.org), or phone, 202-785-0266, with any questions or comments.

Onward,

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