



October 6, 2015

Dear Representatives:

There is a new threat to raise taxes on the Internet. This battle has been going on for over 20 years, and the threat continues in the Remote Transactions Parity Act introduced by Congressman Jason Chaffetz.

Americans for Tax Reform strongly opposes the Remote Transactions Parity Act.

Our policy should be directed towards stopping politicians from circumventing the physical presence standard that protects the taxpayer. The Remote Transactions Parity Act moves in the exact opposite direction, and encourages states to search for other ways to tax across their own physical borders.

While RTPA is billed as a bi-partisan effort to “fix” the many flaws of MFA, in reality, it creates new and worrisome statutes that threaten the simple principle of no taxation without representation.

There are a number of positive proposals to reign in politicians pursuing cross-border taxation. These include:

- The Digital Goods and Services Tax Fairness Act (H.R. 1643),
- The Business Activity Tax Simplification Act (H.R. 2584), and
- The Mobile Workforce State Income Tax Simplification Act (H.R. 2315).

Legislation that shifts the tax burden to those outside of a state’s physical borders undermines tax competition among the states. It is healthy for states to compete for businesses and residents by implementing tax codes that provide the best government at the lowest cost.

If you should have any questions or comments, please contact Katie McAuliffe by email, kmcauliffe@atr.org, or phone, 202-785-0266.

Onward,

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