



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

February 13, 2019

The Honorable Chuck Grassley
Chairman of the Senate Finance Committee
135 Hart Senate Office Building
Washington, D.C. 20510

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T: (202) 785-0266

F: (202) 785-0261

www.atr.org

Dear Chairman Grassley:

I write to thank you for your recent remarks on tax challenges of the digitalization of the economy and urge you to continue to oppose unilateral taxes imposed by some countries.

An EU-wide or even unilateral Digital Services Tax poses unprecedented dangers to tax competition and tech innovation. These taxes will hurt American and worldwide economic growth. The new tax would represent a dramatic and irreversible shift for the international tax system, would mean damage to the transatlantic relationship and could lead to a spiral of retaliation.

The EU and some member states intentionally designed this tax in a way to target American companies as there is no comparable digital industry anywhere in the European Union.

The focus should now be on a multilateral approach that is being developed by the OECD at a global level. As you know the OECD has just released a draft outlining a timeline and a potential path for multilateral consideration of this issue.

Americans for Tax Reform will continue to highlight the negative effects of this issue to all American taxpayers.

Now it is of the utmost importance for the U.S. to make its voice heard on every level.

I thank you again and encourage you to continue to express your opposition to unilateral taxes imposed by some European countries. Should you or your staff have any questions or comments please contact Andreas Hellmann at ahellmann@atr.org – (202)-785-0266

Sincerely,

Grover G. Norquist