

109TH CONGRESS
2D SESSION

H. R. 5422

To amend the Internet Tax Freedom Act to make permanent the moratorium on taxes on internet access and on multiple and discriminatory taxes on electronic commerce.

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2006

Mr. SENSENBRENNER (for himself, Mr. GREEN of Wisconsin, Mr. CANNON, Mr. CHABOT, and Mr. GOODLATTE) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend the Internet Tax Freedom Act to make permanent the moratorium on taxes on internet access and on multiple and discriminatory taxes on electronic commerce.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. AMENDMENTS.**

4 (a) PERMANENT MORATORIUM.—Section 1101(a) of
5 the Internet Tax Freedom Act (47 U.S.C. 151 note) is
6 amended by striking “during the period beginning Novem-
7 ber 1, 2003, and ending November 1, 2007”.

1 (b) GRANDFATHERED AUTHORITIES.—Section
2 1104(a)(2) of the Internet Tax Freedom Act (47 U.S.C.
3 151 note) is amended—

4 (1) in subparagraph (A) by inserting before the
5 period at the end the following:

6 “, with respect to a tax (excluding a qualifying
7 general service tax) unless the State in which
8 such tax is imposed enacts a statute before No-
9 vember 1, 2007, expressly stating that such tax
10 shall continue to apply to Internet access. For
11 purposes of this subparagraph, the term ‘quali-
12 fying general service tax’ means a general State
13 excise or gross receipts tax on services in a
14 State that has in effect a State statute prohib-
15 iting discriminatory taxes on electronic com-
16 merce or Internet access”, and

17 (2) in subparagraph (B)(i) by inserting before
18 the period at the end the following:

19 “unless the State in which such tax is imposed
20 enacts a statute before November 1, 2006, ex-
21 pressly stating that such tax shall continue to
22 apply to Internet access”.

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