



February 2, 2007

The Honorable Anna Eshoo
The Honorable Bob Goodlatte
United States House of Representatives
Washington, DC 20515

Dear Representative Eshoo and Representative Goodlatte:

On behalf of the more than 350,000 members of the National Taxpayers Union (NTU), I would like to extend our enthusiastic support for H.R. 743, the Permanent Internet Tax Freedom Act of 2007. This critically important bill would make the soon-to-expire moratorium on Internet access taxes permanent. The clock is ticking on freedom from discriminatory Internet taxation, and our members urge swift passage of H.R. 743.

Since its enactment in December 2004, the Internet Tax Nondiscrimination Act (ITNA) has stopped any new taxes targeted at Internet access services. This bill and its predecessors have helped to create a dynamic environment where the Internet is thriving and bringing advanced communication capabilities to millions. Keeping the burden of new government-mandated access charges off Internet service has made entry to the information superhighway more affordable for Americans from all walks of life. However, the provisions contained within ITNA are set to expire in November. If Congress doesn't act soon, taxpayers may be bombarded with an onslaught of predatory new "fees."

Any nation seeking to remain technologically and economically competitive shouldn't punish the very citizens who are reaching out into the digital realm, especially by levying charges that are unlikely to have anything to do with bettering Internet service. Taxpayers need long-term protection from state and local authorities seeking to add taxes to the various routes consumers use to access the Internet, and your bill would provide such safeguards.

Because states with grandfathered Internet taxes have sunset dates, a permanent extension of ITNA now would have the effect of eventually eliminating all state taxes on Internet access across the country. As your bill could represent one of the most far-sighted examples of tax protection legislation to come out of the 110th Congress, roll call votes on passage of H.R. 743 will be heavily weighted in NTU's annual Rating of Congress.

Sincerely,

Kristina Rasmussen
Senior Government Affairs Manager