

Union Calendar No. 128

108TH CONGRESS
1ST SESSION

H. R. 49

[Report No. 108-234]

To permanently extend the moratorium enacted by the Internet Tax Freedom Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2003

Mr. COX (for himself, Mr. CALVERT, Mr. CANNON, Mr. CHABOT, Mr. CUNNINGHAM, Mr. TOM DAVIS of Virginia, Mr. DREIER, Mr. FLAKE, Mr. GOODLATTE, Mr. HERGER, Mr. HYDE, Mr. ISSA, Mr. McKEON, Mr. GARY G. MILLER of California, Mr. OSE, Mr. PENCE, Mr. PLATTS, Mr. POMBO, Mr. ROHRABACHER, Mr. WELDON of Florida, Mr. DOOLITTLE, Mrs. MUSGRAVE, Ms. GINNY BROWN-WAITE of Florida, Mr. SWEENEY, Mr. FRANKS of Arizona, Mr. KING of Iowa, Mr. McCOTTER, Mr. BLUMENAUER, Mr. ROYCE, Mr. TANCREDO, Mr. BLUNT, Mr. DICKS, Mr. LEWIS of California, and Mr. BEAUPREZ) introduced the following bill; which was referred to the Committee on the Judiciary

JULY 24, 2003

Additional Sponsors: Mr. HEFLEY, Mr. FEENEY, Mr. BARTON of Texas, Mr. WILSON of South Carolina, Mr. CRANE, Mr. WELLER, Mr. AKIN, Mr. GRAVES, Mr. KIRK, Mr. WALDEN of Oregon, Mr. NORWOOD, Mr. KOLBE, Mr. SCHROCK, Mr. BURTON of Indiana, Mr. BARTLETT of Maryland, Mr. CRAMER, Mr. BISHOP of Georgia, Mr. KELLER, Mr. HASTINGS of Washington, Mr. SMITH of Texas, Ms. KILPATRICK, Mr. THOMPSON of California, Mr. CRENSHAW, Mr. GREENWOOD, Ms. HARRIS, Mr. HOSTETTLER, Mr. WOLF, Mrs. MILLER of Michigan, Mr. GOSS, Mr. SHIMKUS, Mr. PITTS, Mr. KLINE, Mr. SOUDER, Mr. FORBES, Mr. TIAHRT, Ms. HART, Mr. BARRETT of South Carolina, Ms. LORETTA SANCHEZ of California, Mr. PAUL, Ms. ROS-LEHTINEN, Mr. SIMMONS, Mr. TERRY, Mr. JOHNSON of Illinois, Mr. REHBERG, Mr. SESSIONS, Mr. COMBEST, Mr. CARSON of Oklahoma, Ms. HOOLEY of Oregon, Mr. CHOCOLA, Mr. ROGERS of Michigan, Mr. FOSSELLA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GARRETT of New Jersey, Mr. COLE, Mr. ISAKSON, Mr. WU, Mr. PETERSON of Pennsylvania, Mr. LINCOLN DIAZ-

BALART of Florida, Mr. BROWN of South Carolina, Mr. TOOMEY, Ms. BORDALLO, Mr. HAYWORTH, Mr. OXLEY, Mr. SHADEGG, Mr. DOOLEY of California, Mr. FROST, Mr. GALLEGLY, Mr. DEMINT, Mr. HUNTER, Mrs. WILSON of New Mexico, Mr. RADANOVICH, Mrs. CAPITO, Mr. BAIRD, Mr. BURNS, Mr. GILCHREST, Mr. NUNES, Mr. GOODE, Mr. BRADLEY of New Hampshire, Mr. SMITH of Washington, Mr. MICHAUD, Ms. LOFGREN, Mr. GIBBONS, Mr. CARTER, Mr. UPTON, Mr. BOUCHER, Mr. GREEN of Wisconsin, Ms. HARMAN, Mr. GILLMOR, Mrs. BLACKBURN, Mr. MCINNIS, Mr. OTTER, Mr. HAYES, Mr. COBLE, Mr. SPRATT, Mr. MILLER of Florida, Mr. MEEHAN, Mr. KENNEDY of Minnesota, Mr. THOMPSON of Mississippi, Mr. HALL, Mrs. KELLY, and Mr. KILDEE

JULY 24, 2003

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To permanently extend the moratorium enacted by the Internet Tax Freedom Act, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “~~Internet Tax Non-~~
 5 ~~discrimination Act~~”.

6 **SEC. 2. PERMANENT EXTENSION OF INTERNET TAX FREE-**
 7 **DOM ACT MORATORIUM.**

8 (a) ~~PERMANENT EXTENSION; INTERNET ACCESS~~
 9 ~~TAXES.~~—Section 1101 of the Internet Tax Freedom Act
 10 (47 U.S.C. 151 note) is amended—

11 (1) by striking “taxes during the period begin-

12 ning on October 1, 1998, and ending on November

1 ~~1, 2003—~~” and inserting “taxes after September
2 ~~30, 1998.”;~~

3 (2) by striking paragraph (1) of subsection (a)
4 and inserting the following:

5 “(1) Taxes on Internet access.”;

6 (3) by striking “multiple” in paragraph (2) of
7 subsection (a) and inserting “Multiple”;

8 (4) by striking subsection (d); and

9 (5) by redesignating subsections (e) and (f) as
10 subsections (d) and (e), respectively.

11 (b) CONFORMING AMENDMENT.—Section 1104(10)
12 of the Internet Tax Freedom Act (47 U.S.C. 151 note)
13 is amended by striking “unless” and all that follows
14 through “1998”.

15 **SECTION 1. SHORT TITLE.**

16 *This Act may be cited as the “Internet Tax Non-*
17 *discrimination Act”.*

18 **SEC. 2. PERMANENT EXTENSION OF INTERNET TAX FREE-**

19 **DOM ACT MORATORIUM.**

20 (a) *IN GENERAL.*—Subsection (a) of section 1101 of
21 *the Internet Tax Freedom Act (47 U.S.C. 151 note) is*
22 *amended to read as follows:*

23 “(a) *MORATORIUM.*—No State or political subdivision
24 *thereof may impose any of the following taxes:*

25 “(1) *Taxes on Internet access.*

1 “(2) *Multiple or discriminatory taxes on elec-*
2 *tronic commerce.*”.

3 (b) *CONFORMING AMENDMENTS.*—(1) *Section 1101 of*
4 *the Internet Tax Freedom Act (47 U.S.C. 151 note) is*
5 *amended by striking subsection (d).*

6 (2) *Section 1104(10) of the Internet Tax Freedom Act*
7 *(47 U.S.C. 151 note) is amended by striking “unless” and*
8 *all that follows through “1998”.*

9 (3) *Section 1104(2)(B)(i) of the Internet Tax Freedom*
10 *Act (47 U.S.C. 151 note) is amended by striking “except*
11 *with respect to a tax (on Internet access) that was generally*
12 *imposed and actually enforced prior to October 1, 1998,”.*

13 (c) *CLARIFICATION.*—*The second sentence of section*
14 *1104(5), and the second sentence of section 1101(e)(3)(D),*
15 *of the Internet Tax Freedom Act (47 U.S.C. 151 note) are*
16 *each amended by inserting “, except to the extent such serv-*
17 *ices are used to provide Internet access” before the period.*

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