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Internet Tax Freedom Act Extension May Be Acted On Soon *Cities Need to Email U.S. Senate Immediately*

Once again rumors are swirling that the Senate will consider the Trade Facilitation and Trade Enforcement Act of 2015 this week, which includes a permanent extension of the Internet Tax Freedom Act (ITFA). The League has joined with other stakeholders to urge the removal of the provisions of the Customs bill prior to its passage, but help is needed from individual cities.

Cities are urged to immediately email Sens. Barbara Boxer and Deanne Feinstein to urge them to oppose the Customs bill, officially known as the Trade Facilitation and Trade Enforcement Act of 2015. A vote on the conference report could come as early as Thursday. A [sample letter](#) can be found on the League's Federal Issues page or cities can use the [League's letter](#) as a sample. The letters should be sent to ellen_freedman@feinstein.senate.gov, eric_haren@judiciary-dem.senate.gov, and sean_moore@boxer.senate.gov.

The House has already acted on a bill to permanently extend ITFA, therefore the best opportunity to stop the extension is in the Senate.

Cities may remember that the provisions to make ITFA permanent were included in the unrelated [Customs Reauthorization Conference Report](#) in December. This action came without notice and was completely unexpected.

Originally enacted in 1998, this legislation would place a permanent moratorium on taxes imposed on access to the internet. While there is no city in California that imposes such a tax, the League has raised concerns regarding the evolving nature of the internet and how a permanent moratorium will impact city revenues. For example, city utility user tax revenues are being eroded as consumers migrate from traditional phone lines to broadband-based telecommunications services. The League has asked Congress to consider a short-term extension, instead of the permanent extension, to provide Congress an opportunity to revisit the policy in regular intervals. The [Center on Budget Policy and Priorities](#) have posted a blog that underscores the harm a permanent ban on internet access taxes would have on state and local revenues.