A BILL

To amend the Internet Tax Freedom Act to make permanent and extend its moratorium on certain taxes, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Internet Tax Elimination Act”.
SEC. 2. INTERNET TAX MORATORIUM.

(a) Moratorium Made Permanent.—Section 1101(a) of the Internet Tax Freedom Act (47 U.S.C. 151 Note; 112 Stat. 2681–719) is amended—

(1) by striking “during the period beginning on October 1, 1998, and ending 3 years after the date of the enactment of this Act—” and inserting a colon;

(2) in paragraph (1)—

(A) by striking “taxes” and inserting “Any tax”; and

(B) by striking “, unless such tax was generally imposed and actually enforced prior to October, 1, 1998; and” and inserting a period; and

(3) in paragraph (2)—

(A) by inserting “Any” before “multiple”; and

(B) by striking “taxes” and inserting “tax”.

(b) Extension and Preemption.—Section 1101 of the Internet Tax Freedom Act (47 U.S.C. 151 Note; 112 Stat. 2681–719) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:
“(3) Any sales or use tax on domestic or for-

eign goods or services acquired through electronic

commerce.”;

(2) by striking subsections (b) and (d);

(3) by striking “also” in subsections (e)(1) and

(f)(1); and

(4) redesignating subsections (c), (e), and (f) as

subsections (b), (e), and (d), respectively.

(e) No Effect on Prior Liability.—Section

1101(c) of the Internet Tax Freedom Act (47 U.S.C. 151

Note; 112 Stat. 2681–719) is amended—

(1) by striking “for taxes” and inserting “for a

tax not prohibited by this title prior to January 1,

2001, and”; and

(2) by striking “the date of enactment of this

Act” and inserting “that date”.

(d) Effective Date of Amendments.—This sec-

tion shall take effect January 1, 2001.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that the President

should—

(1) seek a global consensus supporting—

(A) a permanent international ban on tar-

iffs on electronic commerce; and
(B) an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet;

(2) seek to make permanent and binding the moratorium on tariffs on electronic transmissions adopted by the World Trade Organization in May 1998;

(3) seek adoption by the Organization for Economic Cooperation and Development, and implementation by the group’s 29 member countries, of an international ban on bit, multiple, and discriminatory taxation of electronic commerce and the Internet;

(4) oppose any proposal by any country, the United Nations, or any other multilateral organization to establish a “bit tax” on electronic transmissions; and

(5) instruct the United States representatives to the World Trade Organization, and any other multilateral trade organization of which the United States is a member, to advocate the firm position of the United States that electronic commerce conducted via the Internet should not be burdened by national or local regulation, taxation, or the imposition of tariffs on such commerce.