



July 13, 2011

U.S. House of Representatives Committee on the Judiciary

RE: Support H.R. 1002/S. 543, Freezing State and Local Wireless Taxation

Dear Member of Congress:

We the undersigned groups – representing millions of Americans – urge you to support the Wireless Tax Fairness Act (H.R. 1002/S. 543) to put a five-year freeze on attempts by state and local governments to raise taxes on wireless services. Not only are wireless taxes already excessively high and discriminatory, but they also significantly restrain the growth and expansion of broadband.

Across the country, state and local governments are putting a substantial burden on consumers by raising discriminatory taxes on wireless services to fund special interest projects and cover up overspending addictions. Today, the average consumer pays upwards of 16 percent in taxes on their wireless bill every month. In some localities, wireless taxes have skyrocketed to well over 25 percent.

A federal solution to curbing wireless taxation has become imperative. The mandatory freeze on wireless taxes under H.R. 1002/S. 543 is a pro-consumer, pro-business, anti-tax, and bipartisan solution to this growing problem.

Nationally, these taxes on wireless cost consumers over \$21 billion annually, making it more expensive to run a business and more difficult to maintain a household budget. Almost 90% of Americans rely on cell phones and a growing majority utilizes mobile broadband. Yet, all but three states tax wireless higher than they do the sale of general goods or services, and some states tax wireless despite having no sales tax on other goods or services. Taxes targeting wireless service make it significantly less affordable and inhibit universal adoption, especially for low-income families, small business owners, rural Americans, and seniors.

We urge you to support and co-sponsor H.R. 1002/S. 543 to freeze discriminatory increases in state and local wireless taxes. Wireless today doesn't recognize city and state borders, and the wireless consumer shouldn't have to either.

Sincerely,

Grover Norquist
President
Americans for Tax Reform

Andrew Moylan
Vice President of Government Affairs
National Taxpayers Union



AMERICAN LEGISLATIVE EXCHANGE COUNCIL
ALEC

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