



# **NEWS**

## **The United States Conference of Mayors**

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### **Statement of Hempstead Mayor James A. Garner, President, U.S. Conference of Mayors In Support of the Internet Tax Ban Extension and Improvement Act**

On behalf of the nation's Mayors, I want to commend Senator Lamar Alexander and Senator Thomas Carper for co-sponsoring bipartisan legislation that will keep Internet access tax free without further eroding state and local revenues. Their legislation is being offered as an alternative to S. 150, the Internet Tax Nondiscrimination Act, which we oppose because it would rob state and local governments of desperately needed revenues.

As written, S. 150 goes beyond permanently banning taxes on Internet access fees. It would also expand the definition of Internet access to permanently ban taxes on many telecommunications services that state and local governments currently collect. If this proposal is enacted, state and local governments could lose billions in revenues.

As cities struggle to balance their budgets and provide critical services such as homeland security, law enforcement, education and transportation, we strongly oppose federal preemptions that would erode our revenue base. We also oppose permanent changes in tax rules on Internet access and telecommunications services at a time when technology is changing so rapidly. We must allow more time for technology to develop in this area before considering what should and what should not be taxed on a permanent basis.

The Alexander/Carper proposal provides a reasonable alternative. It will provide a two-year extension of the moratorium on Internet access and clarify that all technologies used to access the Internet will be treated in the same manner. Cities will not lose any additional revenues under this proposal.

We appreciate how close Senators Alexander and Carper have worked with the U.S. Conference of Mayors and other groups in developing this legislation. I am sure mayors across America will join me in urging all Senators to co-sponsor and support the enactment of this important legislation. This is a priority of the Conference of Mayors and we stand ready to work with all members of Congress to ensure its passage.

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