106TH CONGRESS
2D SESSION

H. R. 3709

AN ACT

To extend for 5 years the moratorium enacted by
the Internet Tax Freedom Act, and for other
purposes.

H. R. 3709

AN ACT

To extend for 5 years 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,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Internet Non-discrimination Act of 2000".

SEC. 2. 5-YEAR EXTENSION OF MORATORIUM ON STATE AND LOCAL TAXES ON THE INTERNET.

(a) EXTENSION OF MORATORIUM.—Section 1101 of title XI of division C of Public Law 105–277 (112 Stat. 2681–719; 47 U.S.C. 151 note) is amended—

(1) in subsection (a)—

(A) by striking "3 years after the date of the enactment of this Act" and inserting "October 21, 2006"; and

(B) in paragraph (1) by striking ", unless" and all that follows through "1998";

(2) by striking subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) TECHNICAL AMENDMENT.—Section 1104(10) of title XI of division C of Public Law 105–277 (112 Stat. 2681–719; 47 U.S.C. 151 note) is amended by striking "unless" and all that follows through "1998".

SEC. 3. APPLICATION OF AMENDMENTS.

The amendments made by this Act shall not apply with respect to conduct occurring before the date of the enactment of this Act.

SEC. 4. SENSE OF THE CONGRESS.

It is the sense of the Congress that a State tax relating to electronic commerce, to avoid being multiple or discriminatory, should include the following:

(1) a centralized, one-stop, multi-State registration system for sellers;

(2) uniform definitions for goods or services that might be included in the tax base;

(3) uniform and simple rules for attributing transactions to particular taxing jurisdictions;

(4) uniform rules for the designation and identification of purchasers exempt from the non-multiple and non-discriminatory tax system, including a database of all exempt entities and a rule ensuring that reliance on such database shall immunize sellers from liability;

(5) uniform procedures for the certification of software that sellers rely on to determine non-multiple and non-discriminatory taxes and taxability;

(6) uniform bad debt rules;

(7) uniform tax returns and remittance forms;

(8) consistent electronic filing and remittance methods;

(9) State administration of all non-multiple and non-discriminatory taxes;

(10) uniform audit procedures;

1   (11) reasonable compensation for tax collection

2 that reflects the complexity of an individual State's

3 tax structure, including the structure of its local

4 taxes;

5   (12) exemption from use tax collection require-

6 ments for remote sellers falling below a specified de

7 minimis threshold;

8   (13) appropriate protections for consumer pri-

9 vacy; and

10   (14) such other features that the member

11 States deem warranted to remote simplicity, uni-

12 formity, neutrality, efficiency, and fairness.

Passed the House of Representatives May 10, 2000.

Attest:

Clerk.