Congressman Tom Marino (Chair)
410 Cannon House Office Building
Washington, D.C. 20515

Congressman Hank Johnson (Ranking Member)
2240 Rayburn House Office Building
Washington DC, 20515

June 2, 2015

Re: HJC Subcommittee Hearing on the Digital Goods and Services Tax Fairness Act

Dear Congressmen Marino and Johnson:

I am writing to express ITIF’s strong support for the Digital Goods and Services Tax Fairness Act. This important legislation would create a national framework that would ensure consistent and non-discriminatory taxation of digital goods and services. This is essential to ensuring the continued growth of the digital economy.

As ITIF noted in its report *A Policymaker’s Guide to Internet Tax*, online goods and services should be taxed at the same rate and by the same jurisdictional rules as their physical counterparts. There is no sound economic argument for a CD purchased in a local mall to be taxed at a lower (or higher) rate than the same music purchased online, or for an online sale to be subject to multiple taxes from different jurisdictions, such as the state of the buyer and the state of the seller.

The Digital Goods Act will address this by prohibiting state and local governments from creating multiple or discriminatory taxes on digital goods and services and establishing consistent rules for determining which jurisdiction has taxation authority. Such legislation would recognize the importance of digital goods and services to the national economy and would help ensure a fair, consistent, and non-discriminatory tax system.

I thank you for taking up this important measure and urge Congress to work for its passage during the 114th Congress.

My best regards,

Robert D. Atkinson
President and Founder
Information Technology and Innovation Foundation