

106TH CONGRESS  
2D SESSION

# H. R. 3709

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## AN ACT

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



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## 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Internet Non-  
3 discrimination Act of 2000”.

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

6 (a) **EXTENSION OF MORATORIUM.**—Section 1101 of  
7 title XI of division C of Public Law 105–277 (112 Stat.  
8 2681–719; 47 U.S.C. 151 note) is amended—

9 (1) in subsection (a)—

10 (A) by striking “3 years after the date of  
11 the enactment of this Act” and inserting “Octo-  
12 ber 21, 2006”; and

13 (B) in paragraph (1) by striking “, unless”  
14 and all that follows through “1998”;

15 (2) by striking subsection (d); and

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

18 (b) **TECHNICAL AMENDMENT.**—Section 1104(10) of  
19 title XI of division C of Public Law 105–277 (112 Stat.  
20 2681–719; 47 U.S.C. 151 note) is amended by striking  
21 “unless” and all that follows through “1998”.

22 **SEC. 3. APPLICATION OF AMENDMENTS.**

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

1 **SEC. 4. SENSE OF THE CONGRESS.**

2 It is the sense of the Congress that a State tax relat-  
3 ing to electronic commerce, to avoid being multiple or dis-  
4 criminatory, should include the following:

5 (1) a centralized, one-stop, multi-State registra-  
6 tion system for sellers;

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

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

11 (4) uniform rules for the designation and iden-  
12 tification of purchasers exempt from the non-mul-  
13 tiple and non-discriminatory tax system, including a  
14 database of all exempt entities and a rule ensuring  
15 that reliance on such database shall immunize sellers  
16 from liability;

17 (5) uniform procedures for the certification of  
18 software that sellers rely on to determine non-mul-  
19 tiple and non-discriminatory taxes and taxability;

20 (6) uniform bad debt rules;

21 (7) uniform tax returns and remittance forms;

22 (8) consistent electronic filing and remittance  
23 methods;

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

26 (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.*