THE SECRETARY OF COMMERCE

Washington, D.C. 20230

JUL 30 2003

The Honorable John McCain Chairman, Committee on Commerce, Science and Transportation United States Senate Washington, DC 20510

Dear Mr. Chairman:

We are writing to express our strong support for legislation to make permanent the moratorium on Internet access taxes, regardless of the speed of that access, and on multiple or discriminatory taxes on electronic commerce. Following the House Judiciary Committee's swift adoption of H.R. 49 last week, we encourage you to take similar action so the President can sign legislation before the current moratorium expires on November 1 of this year.

The Internet is an innovative force that opens up the vast potential economic and social benefits of e-commerce and enables such applications as distance learning, telemedicine, e-business, e-manufacturing, e-government, and precision farming. Government must not slow the rollout of Internet services by creating administrative barriers or imposing new access taxes. Nor should government stifle e-commerce through multiple or discriminatory taxes.

We look forward to working with you again on this important issue. If you should have any further questions or concerns, please feel free to contact us or Brenda Becker, Assistant Secretary for Legislative and Intergovernmental Affairs, Department of Commerce, at (202) 482-3663, or Pam Olson, Assistant Secretary for Tax Policy, Department of the Treasury, at (202) 622-0050.

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Donald L. Evans Secretary of Commerce Sincerely,

John W. Snow

Secretary of the Treasury

cc:

Senator Ernest Hollings Senator George Allen Senator Ron Wyden