

December 15, 2004

Honorable Jim Sensenbrenner, Jr.
Chairman, House Committee on the Judiciary
United States House of Representatives
Washington, DC 20515-4905

Dear Chairman Sensenbrenner:

The below trade associations, businesses and public interest groups strongly support clarifying that physical presence is the appropriate constitutional nexus standard for state assessment of business activity taxes. Legislation such as the Business Activity Tax Simplification Act will foster a pro-business environment that will minimize litigation, ensure the continued health and growth of U.S. business (both small businesses and large) and, most importantly, create new jobs.

During the 108th Congress, the Business Activity Tax Simplification Act (H.R. 3220) found strong bipartisan support in the House of Representatives. We believe that the bill, coupled with some technical modifications to clarify the consistent treatment of businesses in the services industry, including the financial services industry, would generate the same bipartisan support to become an important agenda item when the 109th Congress convenes next year.

The undersigned respectfully request that the Judiciary Committee consider and favorably report the bill early in the first session of the 109th Congress.

We look forward to working with you, your staff and all members of the House Judiciary Committee on the Business Activity Tax Simplification Act in the New Year.

Sincerely-

America's Community Bankers
American Bankers Association
American Electronics Association
American Legislative Exchange Council
Americans for Tax Reform
Apple Computer
Association for Competitive Technology
Attachmate Corporation
Beall's, Inc.

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Business Roundtable

Cendant

Chevron Texaco

Cisco Systems

Citigroup, Inc.

Computing Technology Industry Association

Delphi

Eastman Chemical Company

EDS

Electronic Industries Alliance

Federated Department Stores, Inc.

Financial Services Roundtable

Gap Inc.

Illinois Chamber of Commerce

Information Technology Association of America

International Franchise Association

International Warehouse Logistics Association

Investment Company Institute

Limited Brands, Inc.

Magazine Publishers of America

MBNA

Microsoft

National Gypsum Company

National Restaurant Association

National Taxpayers Union

NetChoice Coalition

Nevada Development Authority

North American Association of Food Equipment Manufacturers

North Carolina Biosciences Association

North Carolina Citizens for Business and Industry

North Carolina Manufacturers Association

Oracle Corporation

Sara Lee

Securities Industry Association

Software Finance and Tax Executives Council

Software & Information Industry Association

Sony

Symantec Corporation

A South Carolina Home-Operated Software Business

Time Warner, Inc.

U.S. Chamber of Commerce

Viacom

Walt Disney

Wendy's International

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cc: Honorable Henry J. Hyde
 Honorable Howard Coble
 Honorable Lamar Smith
 Honorable Elton Gallegly
 Honorable Robert W. Goodlatte
 Honorable Steve Chabot
 Honorable William L. Jenkins
 Honorable Chris Cannon
 Honorable Spencer Bachus
 Honorable John N. Hostettler
 Honorable Mark Green
 Honorable Ric Keller
 Honorable Melissa Hart
 Honorable Jeff Flake
 Honorable Mike Pence
 Honorable J. Randy Forbes
 Honorable Steve King
 Honorable John R. Carter
 Honorable Tom C. Feeney
 Honorable Marsha W. Blackburn

Honorable John Conyers, Jr.
Honorable Howard L. Berman
Honorable Rick Boucher
Honorable Jerrold Nadler
Honorable Robert C. Scott
Honorable Melvin L. Watt
Honorable Zoe Lofgren
Honorable Sheila Jackson Lee
Honorable Maxine Waters
Honorable Martin T. Meehan
Honorable William D. Delahunt
Honorable Robert Wexler
Honorable Tammy Baldwin
Honorable Anthony D. Weiner
Honorable Adam Schiff
Honorable Linda Sanchez