

Press Release of Senator Wyden

Wyden Proposes Tax Fairness for Satellite TV

Bill would end discrimination against new technology

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WASHINGTON, DC – Continuing to fight against taxes that make it harder for new technologies to compete against long-established ones, U.S. Senator Ron Wyden (D-Ore.) introduced the State Video Tax Fairness Act to ensure that the satellite television industry is not taxed at higher rates than other multichannel video program distribution (MVPD) services. The bill would end states' ability to charge discriminatory tax rates for satellite service over cable or Internet television.

“As the original author of the Internet Tax Freedom Act, I believe tax policy shouldn't be used to strangle promising technology and industries or unfairly protect incumbents” said Wyden. **“Tax policy should always be technology-neutral. It's unfair that some states have chosen winners and losers in multi-channel video by tilting the tax landscape in one direction. This bill will correct that imbalance.”**

Approximately 100 million households currently subscribe to MVPD services, including 30 million who subscribe to satellite TV. States tax MVPD according to their own laws. For example, Ohio imposes a 5.5 percent sales tax on direct-broadcast satellite, but does not apply an equivalent tax on cable or other MVPD competitors. The State Video Tax Fairness Act is a companion piece of legislation to one recently introduced in the House by Rep. John Conyers (D-Mich.), the State Video Tax Fairness Act of 2007 (H.R. 3679).

Wyden has long been a leader in ensuring that fledgling high-tech industries can compete on a level playing field as they come to market. He is a long-time advocate of the expansion of Internet and telecommunications infrastructure development. Working with colleagues from both sides of the aisle, Wyden has four times protected Internet providers from content-related litigation. He has also fought to protect the Internet from being hit with multiple discriminatory taxes from thousands of state and local tax authorities – and has worked to extend that protection.