



**For Immediate Release
June 19, 2008**

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COALITION TO PROTECT INTERSTATE COMMERCE

**MEDIA ADVISORY:
COALITION TO PROTECT INTERSTATE COMMERCE HOSTS
NATIONAL MEDIA TELECONFERENCE ON
THE BUSINESS ACTIVITY TAX SIMPLIFICATION ACT
IN ADVANCE OF HOUSE JUDICIARY SUBCOMMITTEE HEARING
Business Leaders Discuss the Impact the BAT has on Interstate Operations**

On Monday, June 23, 2008 at 2:00 pm, the Coalition to Protect Interstate Commerce will host a national media teleconference on the Business Activity Tax Simplification Act of 2008 (BATSA), in advance of the House Judiciary Subcommittee business activity tax hearing on Tuesday afternoon. This briefing will provide information on the pending legislation and the impact of BAT nexus issues on interstate operations.

Participants include:

Rebecca Boenigk, CEO and Chairman of the Board, Neutral Posture: Based in Bryan, TX, Neutral Posture is the leading manufacturer and distributor of ergonomic office solutions and the only woman-owned seating manufacturer in the U.S.

Bob Selig, President and CEO, Davis Instruments: Based in Hayward, CA, Davis Instruments is a privately held manufacturing company and developer of exceptional instruments for weather, marine, and automotive use.

Todd Lard, General Counsel, Council on State Taxation: COST is the premier state tax organization representing taxpayers. COST is a non-profit trade association consisting of over 600 multistate corporations engaged in interstate and international business.

WHO: **Rebecca Boenigk**, CEO and Chairman of the Board, Neutral Posture
Bob Selig, President and CEO, Davis Instruments
Todd Lard, General Counsel, Council on State Taxation
WHAT: Media Teleconference on Business Activity Tax Simplification Legislation
WHEN: Monday June 23, 2008, at 2:00 p.m. Eastern Daylight Time (EDT)
WHERE: Teleconference: Call **(800) 321-3919**. Pass Code: **7847979**

About the Business Activity Tax Simplification Act of 2008:

H.R. 5267, the “Business Activity Tax Simplification Act of 2008,” was introduced on February 7, 2008 by Representatives Rick Boucher (D-VA) and Bob Goodlatte (R-VA).

Many states are aggressively trying to subject companies with no physical property or employees to taxes, simply because customers are located in the state. This unfair tax treatment subjects businesses to a complex, unpredictable, and unfriendly environment, where ultimately, these costs get passed on to consumers. Businesses are forced to spend more time, money, and energy on accounting and, if they can afford it, litigation. Furthermore, these taxes limit economic growth and sustainability.

Congress has an obligation to act to curtail state taxation that unduly burdens interstate commerce. The Business Activity Tax Simplification Act of 2008 would set forth a bright-line standard clarifying that states and localities may collect business activity taxes from out-of-state entities only when they have a physical presence in the taxing state. It would also modernize Public Law 86-272, which Congress enacted forty-nine years ago. As currently written, that law prohibits the states from assessing net income-based taxes against a business when its only contact with the state involves the solicitation of orders in the state for tangible personal property. BATSA would modernize P.L. 86-272, so that in addition to tangible personal property, it would also apply to intangible property and services. Furthermore, it would apply to all direct taxes on a business, not just those based on net income.

The Coalition to Protect Interstate Commerce (CPIC) advocates enactment of a federal law clarifying that state taxation of business income requires a physical presence within the taxing state. This advocacy effort is in response to increasingly aggressive state efforts to expand their tax base by assessing income and franchise taxes against out-of-state companies that have customers, but no property or employees in their jurisdiction.

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