

HR 1956

Business Activity Tax Simplification Act of 2006

Congress: 109 (2005–2007, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Apr 28, 2005

Current Status: Rules Committee Resolution H. Res. 939 Reported to House. Rule provides for consideration of H.R. 19

Latest Action: Rules Committee Resolution H. Res. 939 Reported to House. Rule provides for consideration of H.R. 1956 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Bill is closed to amendments. (Jul 24, 2006)

Official Text: <https://www.congress.gov/bill/109th-congress/house-bill/1956>

Sponsor

Name: Rep. Goodlatte, Bob [R-VA-6]

Party: Republican • **State:** VA • **Chamber:** House

Cosponsors (40 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bachus, Spencer [R-AL-6]	R · AL		Apr 28, 2005
Rep. Boehner, John A. [R-OH-8]	R · OH		Apr 28, 2005
Rep. Boucher, Rick [D-VA-9]	D · VA		Apr 28, 2005
Rep. Cantor, Eric [R-VA-7]	R · VA		Apr 28, 2005
Rep. Chabot, Steve [R-OH-1]	R · OH		Apr 28, 2005
Rep. Crowley, Joseph [D-NY-7]	D · NY		Apr 28, 2005
Rep. Drake, Thelma D. [R-VA-2]	R · VA		Apr 28, 2005
Rep. Forbes, J. Randy [R-VA-4]	R · VA		Apr 28, 2005
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		Apr 28, 2005
Rep. Moran, James P. [D-VA-8]	D · VA		Apr 28, 2005
Rep. Smith, Lamar [R-TX-21]	R · TX		Apr 28, 2005
Rep. Tiberi, Patrick J. [R-OH-12]	R · OH		Apr 28, 2005
Rep. Blackburn, Marsha [R-TN-7]	R · TN		May 4, 2005
Rep. Upton, Fred [R-MI-6]	R · MI		May 4, 2005
Rep. Wilson, Joe [R-SC-2]	R · SC		May 4, 2005
Rep. Carter, John R. [R-TX-31]	R · TX		May 11, 2005
Rep. Gallegly, Elton [R-CA-24]	R · CA		May 11, 2005
Rep. King, Steve [R-IA-5]	R · IA		May 23, 2005
Rep. Ramstad, Jim [R-MN-3]	R · MN		May 23, 2005
Rep. Souder, Mark E. [R-IN-3]	R · IN		May 23, 2005
Rep. Cole, Tom [R-OK-4]	R · OK		May 24, 2005
Rep. Garrett, Scott [R-NJ-5]	R · NJ		May 24, 2005
Rep. Hart, Melissa A. [R-PA-4]	R · PA		May 24, 2005
Rep. Barrett, J. Gresham [R-SC-3]	R · SC		May 26, 2005
Rep. Davis, Jo Ann [R-VA-1]	R · VA		Jun 15, 2005
Rep. Pence, Mike [R-IN-6]	R · IN		Jun 15, 2005
Rep. Latham, Tom [R-IA-4]	R · IA		Jul 19, 2005
Rep. Marchant, Kenny [R-TX-24]	R · TX		Sep 22, 2005
Rep. Brown, Henry E., Jr. [R-SC-1]	R · SC		Sep 27, 2005
Rep. Rogers, Harold [R-KY-5]	R · KY		Oct 18, 2005
Rep. Kolbe, Jim [R-AZ-8]	R · AZ		Oct 25, 2005
Rep. Flake, Jeff [R-AZ-6]	R · AZ		Nov 1, 2005
Rep. Franks, Trent [R-AZ-2]	R · AZ		Nov 17, 2005
Rep. Bishop, Rob [R-UT-1]	R · UT		Dec 14, 2005
Rep. English, Phil [R-PA-3]	R · PA		Dec 14, 2005
Rep. Herseth, Stephanie [D-SD-At Large]	D · SD		Dec 14, 2005
Rep. Murphy, Tim [R-PA-18]	R · PA		Dec 14, 2005
Rep. Feeney, Tom [R-FL-24]	R · FL		Mar 1, 2006
Rep. Jenkins, William L. [R-TN-1]	R · TN		Mar 1, 2006
Rep. Lungren, Daniel E. [R-CA-3]	R · CA		Mar 1, 2006

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Reported by	Dec 14, 2005

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
109 HRES 939	Procedurally related	Dec 7, 2006: Pursuant to the provisions of H. Res. 1096, H. Res. 939 is laid on the table.
109 S 2721	Related bill	May 4, 2006: Read twice and referred to the Committee on Finance.

Summary (as of Jul 17, 2006)

Business Activity Tax Simplification Act of 2006 - Extends the general federal prohibition against state taxation (i.e., net income taxation) of interstate commerce to include taxation of out-of-state transactions involving all forms of property, including intangible personal property and services (currently, only sales of tangible personal property are protected). Extends such prohibition to other business activity taxes (defined as taxes imposed on or measured by gross receipts, gross income, or gross profits, a business license tax, a business and occupation tax, a franchise tax, a single business tax or a capital stock tax, or any other tax based on business activity).

Prohibits state taxation of activities in interstate commerce unless the taxpayer has a physical presence in the taxing state. Defines "physical presence in a state" to mean business and leasing activities for more than 21 days in the taxing state. Disregards in determining such 21-day period: (1) activities relating to the purchase of goods or services for a business; (2) news-gathering activities; (3) certain meetings with government officials; (4) attending educational or training conferences; or (5) participation in charitable activities. Reduces the 21-day period to one day for: (1) live performances and sporting events in the taxing state when the audience is more than 100 individuals; (2) sales of tangible personal property made in the taxing state if delivery is completed in such state; and (3) the performance of services that physically affect real property within the taxing state.

Excludes from this Act's prohibition against state taxation: (1) entities incorporated or formed under the laws of such state; (2) individuals domiciled in such state; and (3) the owner or beneficiary of a partnership, S corporation, limited liability company, or similar entity that has a physical presence in the taxing state.

Actions Timeline

- **Jul 24, 2006:** Rules Committee Resolution H. Res. 939 Reported to House. Rule provides for consideration of H.R. 1956 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Bill is closed to amendments.
- **Jul 17, 2006:** Reported (Amended) by the Committee on Judiciary. H. Rept. 109-575.
- **Jul 17, 2006:** Reported (Amended) by the Committee on Judiciary. H. Rept. 109-575.
- **Jul 17, 2006:** Placed on the Union Calendar, Calendar No. 330.
- **Jun 28, 2006:** Committee Consideration and Mark-up Session Held.
- **Jun 28, 2006:** Ordered to be Reported (Amended) by Voice Vote.
- **Dec 13, 2005:** Subcommittee Consideration and Mark-up Session Held.
- **Dec 13, 2005:** Forwarded by Subcommittee to Full Committee (Amended) by Voice Vote.
- **Sep 27, 2005:** Subcommittee Hearings Held.
- **Jun 6, 2005:** Referred to the Subcommittee on Commercial and Administrative Law.
- **Apr 28, 2005:** Introduced in House
- **Apr 28, 2005:** Introduced in House
- **Apr 28, 2005:** Referred to the House Committee on the Judiciary.