

## HR 427

Interstate Commerce Simplification Act of 2025

**Congress:** 119 (2025–2027, Current)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Jan 15, 2025

**Current Status:** Referred to the House Committee on the Judiciary.

**Latest Action:** Referred to the House Committee on the Judiciary. (Jan 15, 2025)

**Official Text:** <https://www.congress.gov/bill/119th-congress/house-bill/427>

### Sponsor

**Name:** Rep. Fitzgerald, Scott [R-WI-5]

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

### Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Grothman, Glenn [R-WI-6]	R · WI		Jan 15, 2025
Rep. Steil, Bryan [R-WI-1]	R · WI		Jan 15, 2025
Rep. Tiffany, Thomas P. [R-WI-7]	R · WI		Jan 15, 2025

### Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Referred To	Jan 15, 2025

### Subjects & Policy Tags

**Policy Area:**

Taxation

### Related Bills

Bill	Relationship	Last Action
119 S 3027	Identical bill	<b>Oct 22, 2025:</b> Read twice and referred to the Committee on Finance.

## **Interstate Commerce Simplification Act of 2025**

This bill expands the definition of *solicitation of orders* to include business activities that serve an independently valuable business function apart from the solicitation of orders for purposes of the limitation on a state's authority to impose a net income tax on an out-of-state seller.

Under current law, a state is prohibited from imposing a net income tax on income derived from within the state from interstate commerce if the only business activity within the state is the solicitation of orders for the sale of tangible personal property, provided that the orders are approved (or rejected) and filled by shipment or delivery from outside of the state. Further, the Supreme Court has held that the term *solicitation of orders* includes (1) activities that are strictly essential to making requests for purchases, and (2) ancillary activities that serve no independent business function apart from their connection to requests for purchases.

Under the bill, the definition of *solicitation of orders* is expanded to include business activities that facilitate the solicitation of orders even if such business activities serve an independently valuable business function apart from the solicitation.



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