

110TH CONGRESS
1ST SESSION

S. 34

To promote simplification and fairness in the administration and collection
of sales and use taxes.

IN THE SENATE OF THE UNITED STATES

MAY 22, 2007

Mr. ENZI introduced the following bill; which was read twice and referred to
the Committee on Finance

A BILL

To promote simplification and fairness in the administration
and collection of sales and use taxes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Sales Tax Fairness
5 and Simplification Act”.

6 **SEC. 2. CONSENT OF CONGRESS.**

7 The Congress consents to the Streamlined Sales and
8 Use Tax Agreement.

1 **SEC. 3. SENSE OF THE CONGRESS.**

2 (a) SALES AND USE TAX SYSTEM.—It is the sense
 3 of the Congress that the sales and use tax system estab-
 4 lished by the Streamlined Sales and Use Tax Agreement,
 5 to the extent that it meets the minimum simplification re-
 6 quirements of section 7, provides sufficient simplification
 7 and uniformity to warrant Federal authorization to Mem-
 8 ber States that are parties to the Agreement to require
 9 remote sellers, subject to the conditions provided in this
 10 Act, to collect and remit the sales and use taxes of such
 11 Member States and of local taxing jurisdictions of such
 12 Member States.

13 (b) PURPOSE.—The purpose of this Act is to—

14 (1) effectuate the limited authority granted to
 15 Member States under the Streamlined Sales and
 16 Use Tax Agreement; and

17 (2) not grant additional authority unrelated to
 18 the accomplishment of the purpose described in
 19 paragraph (1).

20 **SEC. 4. AUTHORIZATION TO REQUIRE COLLECTION OF**
 21 **SALES AND USE TAXES.**

22 (a) GRANT OF AUTHORITY.—

23 (1) IN GENERAL.—Each Member State under
 24 the Streamlined Sales and Use Tax Agreement is
 25 authorized, subject to the requirements of this sec-
 26 tion, to require all sellers not qualifying for the

1 small business exception provided under subsection
2 (d) to collect and remit sales and use taxes with re-
3 spect to remote sales sourced to that Member State
4 under the Agreement.

5 (2) REQUIREMENTS FOR AUTHORITY.—The au-
6 thorization provided under paragraph (1) shall be
7 granted once all of the following have occurred:

8 (A) 10 States comprising at least 20 per-
9 cent of the total population of all States impos-
10 ing a sales tax, as determined by the 2000 Fed-
11 eral census, have petitioned for membership and
12 have become Member States under the Agree-
13 ment.

14 (B) The following necessary operational as-
15 pects of the Agreement have been implemented
16 by the Governing Board:

17 (i) Provider and system certification.

18 (ii) Setting of monetary allowance by
19 contract with providers.

20 (iii) Implementation of an on-line
21 multistate registration system.

22 (iv) Adoption of a standard form for
23 claiming exemptions electronically.

24 (v) Establishment of advisory coun-
25 cils.

1 (vi) Promulgation of rules and proce-
2 dures for dispute resolution.

3 (vii) Promulgation of rules and proce-
4 dures for audits.

5 (viii) Provisions for funding and staff-
6 ing the Governing Board.

7 (C) Each Member State has met the re-
8 quirements to provide and maintain the data-
9 bases and the taxability matrix described in the
10 Agreement, pursuant to requirements of the
11 Governing Board.

12 (3) LIMITATION OF AUTHORITY.—The author-
13 ization provided under paragraph (1)—

14 (A) shall be granted notwithstanding any
15 other provision of law; and

16 (B) is dependent upon the Agreement, as
17 amended, meeting the minimum simplification
18 requirements of section 7.

19 (b) TERMINATION OF AUTHORITY.—

20 (1) IN GENERAL.—The authorization provided
21 under subsection (a) shall terminate for all States
22 if—

23 (A) the requirements contained in sub-
24 section (a) cease to be satisfied; or

1 (B) any amendment adopted to the Agree-
2 ment after the date of enactment of this Act is
3 not within the scope of the administration of
4 sales and use taxes or taxes on telecommuni-
5 cations services by the Member States.

6 (2) LOSS OF MEMBER STATE STATUS.—The au-
7 thorization provided under subsection (a) shall ter-
8minate for a Member State, if such Member State
9 no longer meets the requirements for Member State
10 status under the terms of the Agreement.

11 (c) DETERMINATION OF STATUS.—

12 (1) IN GENERAL.—The Governing Board shall
13 determine if Member States are in compliance with
14 the requirements of subsections (a) and (b).

15 (2) COMPLIANCE DETERMINATION.—Upon the
16 determination of the Governing Board that all the
17 requirements of subsection (a) have been satisfied,
18 the authority of each Member State to require a sell-
19 er to collect and remit sales and use taxes shall com-
20 mence on the first day of a calendar quarter at least
21 6 months after the date the Governing Board makes
22 its determination.

23 (d) SMALL BUSINESS EXCEPTION.—No seller shall
24 be subject to a requirement of any State to collect and

1 remit sales and use taxes with respect to a remote sale
2 if—

3 (1) the seller and its affiliates collectively had
4 gross remote taxable sales nationwide of less than
5 \$5,000,000 in the calendar year preceding the date
6 of such sale; or

7 (2) the seller and its affiliates collectively meet
8 the \$5,000,000 threshold of this subsection, but the
9 seller has less than \$100,000 in gross remote tax-
10 able sales nationwide.

11 **SEC. 5. TRIBAL GOVERNMENTS.**

12 (a) STATUS AS MEMBER STATE.—

13 (1) IN GENERAL.—Any federally recognized In-
14 dian Tribe that imposes a generally applicable sales
15 tax may, if such Tribe complies with the terms of
16 this Act—

17 (A) petition to become a Member State
18 under the Agreement; and

19 (B) exercise the authority provided under
20 section 4.

21 (2) DECISION OF THE GOVERNING BOARD.—

22 (A) IN GENERAL.—If the effect of any fed-
23 erally recognized Indian Tribe's law, rules, reg-
24 ulations, and policies is compliant with each of
25 the terms of the Agreement, and the Indian

1 Tribe has entered an agreement with the pri-
 2 mary State where it is located, the Governing
 3 Board shall consider such Tribe for admission
 4 as a Member State to the Agreement on the
 5 same basis as States.

6 (B) NO STATE-TRIBAL AGREEMENT
 7 PRESENT.—If a petitioning Indian Tribe and
 8 the primary State in which it is located have at-
 9 tempted to negotiate, but have not reached, an
 10 agreement as described in subparagraph (A)
 11 within 2 years after the date of the submission
 12 of such petition, the Governing Board shall con-
 13 sider such Tribe for admission as a Member
 14 State to the Agreement on the same basis as
 15 States without regard to the presence of a
 16 State-tribal agreement.

17 (3) MEMBERSHIP ON THE GOVERNING
 18 BOARD.—

19 (A) IN GENERAL.—If any federally recog-
 20 nized Indian Tribes are accorded Member State
 21 status under the Agreement under this section,
 22 those Tribes shall be represented on the Gov-
 23 erning Board by at least 1 member.

24 (B) MULTIPLE TRIBES.—If 2 or more fed-
 25 erally recognized Indian Tribes are accorded

1 Member State status under the Agreement
2 under this section, additional representation of
3 such Tribes on the Governing Board shall be
4 determined by the Governing Board, in con-
5 sultation with those Tribes that are Member
6 States.

7 (b) RULE OF CONSTRUCTION.—Nothing in this Act
8 or the Agreement shall be construed as—

9 (1) diminishing an Indian Tribe’s sovereignty
10 or characterizing an Indian Tribe as a State for
11 other purposes;

12 (2) affecting existing tax agreements between
13 Indian Tribal Governments and States;

14 (3) preventing Indian Tribal Governments and
15 States from entering into bilateral agreements for
16 the collection and allocation of sales taxes (whether
17 or not such bodies are admitted as Member States
18 to the Agreement); or

19 (4) overriding established principles of Federal
20 law governing—

21 (A) the taxing jurisdiction of Indian Tribal
22 Governments; and

23 (B) the immunities of Indian Tribal Gov-
24 ernments and their members from State tax-

1 ation with respect to on-reservation trans-
2 actions.

3 **SEC. 6. DETERMINATIONS BY GOVERNING BOARD AND JU-**
4 **DICIAL REVIEW OF SUCH DETERMINATIONS.**

5 (a) PETITION.—At any time after the Governing
6 Board has made the determination required under section
7 4(c)(2), any person who may be affected by the Agreement
8 may petition the Governing Board for a determination on
9 any issue relating to the implementation of the Agreement.

10 (b) REVIEW IN COURT OF FEDERAL CLAIMS.—Any
11 person who submits a petition under subsection (a) may
12 bring an action against the Governing Board in the United
13 States Court of Federal Claims for judicial review of the
14 action of the Governing Board on that petition if—

15 (1) the petition relates to an issue of whether—

16 (A) a Member State has satisfied or con-
17 tinues to satisfy the requirements for Member
18 State status under the Agreement;

19 (B) the Governing Board has performed a
20 nondiscretionary duty of the Governing Board
21 under the Agreement;

22 (C) the Agreement continues to satisfy the
23 minimum simplification requirements set forth
24 in section 7; or

1 (D) any other requirement of section 4 has
2 been satisfied; and

3 (2) the petition is denied by the Governing
4 Board in whole or in part with respect to that issue,
5 or the Governing Board fails to act on the petition
6 with respect to that issue not later than 6 months
7 after the date on which the petition is submitted.

8 (c) TIMING OF ACTION FOR REVIEW.—An action for
9 review under this section shall be initiated not later than
10 60 days after the denial of the petition by the Governing
11 Board, or, if the Governing Board failed to act on the peti-
12 tion, not later than 60 days after the end of the 6-month
13 period beginning on the day after the date on which the
14 petition was submitted.

15 (d) STANDARD OF REVIEW.—

16 (1) IN GENERAL.—In any action for review
17 under this section, the court shall set aside the ac-
18 tions, findings, and conclusions of the Governing
19 Board found to be arbitrary, capricious, an abuse of
20 discretion, or otherwise not in accordance with law.

21 (2) REMAND.—If the court sets aside any ac-
22 tion, finding, or conclusion of the Governing Board
23 under paragraph (1), the court shall remand the
24 case to the Governing Board for further action con-
25 sistent with the decision of the court.

1 (e) JURISDICTION.—

2 (1) GENERALLY.—Chapter 91 of title 28,
3 United States Code, is amended by adding at the
4 end the following:

5 **“§ 1510. Jurisdiction regarding the Streamlined Sales
6 and Use Tax Agreement**

7 “The United States Court of Federal Claims shall
8 have exclusive jurisdiction over actions for judicial review
9 of determinations of the Governing Board of the Stream-
10 lined Sales and Use Tax Agreement under the terms and
11 conditions provided in section 5 of the Sales Tax Fairness
12 and Simplification Act.”.

13 (2) CONFORMING AMENDMENT TO TABLE OF
14 SECTIONS.—The table of sections at the beginning
15 of chapter 91 of title 28, United States Code, is
16 amended by adding at the end the following new
17 item:

“1510. Jurisdiction regarding the streamlined sales and use tax agreement.”.

18 **SEC. 7. MINIMUM SIMPLIFICATION REQUIREMENTS.**

19 (a) IN GENERAL.—The minimum simplification re-
20 quirements for the Agreement, which shall relate to the
21 conduct of Member States under the Agreement and to
22 the administration and supervision of such conduct, are
23 as follows:

24 (1) A centralized, one-stop, multistate registra-
25 tion system that a seller may elect to use to register

1 with the Member States, provided a seller may also
2 elect to register directly with a Member State, and
3 further provided that privacy and confidentiality
4 controls shall be placed on the multistate registra-
5 tion system so that it may not be used for any pur-
6 pose other than the administration of sales and use
7 taxes. Furthermore, no taxing authority within a
8 Member State or a Member State that has with-
9 drawn or been expelled from the Agreement may use
10 registration with the centralized registration system
11 for the purpose of, or as a factor in determining,
12 whether a seller has a nexus with that Member State
13 for any tax at any time.

14 (2) Uniform definitions of products and prod-
15 uct-based exemptions from which a Member State
16 may choose its individual tax base, provided, how-
17 ever, that all local jurisdictions in that Member
18 State shall have a common tax base identical to the
19 State tax base of that Member State. A Member
20 State may enact other product-based exemptions
21 without restriction if the Agreement does not have
22 a definition for the product or for a term that in-
23 cludes the product. A Member State shall relax the
24 good faith requirement for acceptance of exemption
25 certificates in accordance with section 317 of the

1 Agreement, as amended through the date of enact-
2 ment of this Act.

3 (3) Uniform rules for sourcing and attributing
4 transactions to particular taxing jurisdictions.

5 (4) Uniform procedures for the certification of
6 service providers and software on which a seller may
7 elect to rely in order to determine Member State
8 sales and use tax rates and taxability.

9 (5) Uniform rules for bad debts and rounding.

10 (6) Uniform requirements for tax returns and
11 remittances.

12 (7) Consistent electronic filing and remittance
13 methods.

14 (8) Single, State-level administration of all
15 Member State and local sales and use taxes, includ-
16 ing a requirement for a State-level filing of tax re-
17 turns in each Member State.

18 (9) A single sales and use tax rate per taxing
19 jurisdiction, except that a State may impose a single
20 additional rate, which may be zero, on food, food in-
21 gredients, and drugs, provided that this limitation
22 does not apply to the items identified in section 308
23 C of the Agreement, as amended through the date
24 of enactment of this Act.

1 (10) A Member State shall eliminate caps and
2 thresholds on the application of sales and use tax
3 rates and exemptions based on value, provided that
4 this limitation does not apply to the items identified
5 in section 308 C of the Agreement, as amended
6 through the date of enactment of this Act.

7 (11) A provision requiring each Member State
8 to complete a taxability matrix, as adopted by the
9 Governing Board. The matrix shall include informa-
10 tion regarding terms defined by the Agreement in
11 the Library of Definitions. The matrix shall also in-
12 clude, pursuant to the requirements of the Gov-
13 erning Board, information on use, entity, and prod-
14 uct based exemptions.

15 (12) A provision requiring that each Member
16 State relieves a seller or service provider from liabil-
17 ity to that Member State and local jurisdiction for
18 collection of the incorrect amount of sales or use tax,
19 and relieves the purchaser from penalties stemming
20 from such liability, provided that collection of the
21 improper amount is the result of relying on informa-
22 tion provided by that Member State regarding tax
23 rates, boundaries, or taxing jurisdiction assignments,
24 or in the taxability matrix regarding terms defined
25 by the Agreement in the Library of Definitions.

1 (13) Audit procedures for sellers, including an
2 option under which a seller not qualifying for the
3 small business exception in section 4(d) may request,
4 by notifying the Governing Board, to be subject to
5 a single audit on behalf of all Member States for
6 sales and use taxes (other than use taxes on goods
7 and services purchased for the consumption of the
8 seller). The Governing Board, in its discretion, shall
9 authorize such a single audit.

10 (14) As of the day that authority to require col-
11 lection commences under section 4, each Member
12 State shall provide reasonable compensation for ex-
13 penses incurred by a seller directly in administering,
14 collecting, and remitting sales and use taxes (other
15 than use taxes on goods and services purchased for
16 the consumption of the seller) to that Member State.
17 Such compensation may vary in each Member State
18 depending on the complexity of the sales and use tax
19 laws in that Member State and may vary by the
20 characteristics of sellers in order to reflect dif-
21 ferences in collection costs. Such compensation may
22 be provided to a seller or a third party service pro-
23 vider whom a seller has contracted with to perform
24 all the sales and use tax responsibilities of a seller.

1 (15) Appropriate protections for consumer pri-
2 vacy.

3 (16) Governance procedures and mechanisms to
4 ensure timely, consistent, and uniform implementa-
5 tion and adherence to the principles of the stream-
6 lined system and the terms of the Agreement.

7 (17) Each Member State shall apply the sim-
8 plification requirements of the Agreement to taxes
9 on telecommunications services, except as provided
10 herein. This requirement is applicable to Member
11 States as of July 1, 2010, except that sales and use
12 taxes on telecommunications services shall be subject
13 to the Agreement and the authority granted to the
14 Member States when the requirements of section
15 4(a) are met. On or after July 1, 2010, for those
16 Member States which meet the requirements of this
17 paragraph, the authority granted such Member
18 States under section 4 may be exercised by such
19 Member States, pursuant to the terms of section 4
20 and section 6, with respect to taxes on telecommuni-
21 cations services other than sales and use taxes on
22 such services. The following are exceptions to the re-
23 quirement established under this paragraph:

24 (A) The requirement for one uniform re-
25 turn shall not apply, provided, however, there

1 shall be one uniform return for each type of tax
2 on telecommunications services within a State.

3 (B) The requirements for rate simplifica-
4 tion are modified to require that each taxing ju-
5 risdiction shall have only one rate for each type
6 of tax on telecommunications services.

7 (C) The requirements for tax base uni-
8 formity in section 302 of the Agreement shall
9 apply to each type of tax on telecommunications
10 services within a State, but shall not be con-
11 strued to require that the tax base for different
12 types of taxes on telecommunications services
13 must be identical to the tax base for sales and
14 use taxes imposed on telecommunications serv-
15 ices.

16 (18) Uniform rules and procedures for “sales
17 tax holidays”.

18 (19) Uniform rules and procedures to address
19 refunds and credits for sales taxes relating to cus-
20 tomer returns, restocking fees, discounts and cou-
21 pons, and rules to address allocations of shipping
22 and handling and discounts applied to multiple item
23 and multiple seller orders.

24 (b) REQUIREMENT TO PROVIDE SIMPLIFIED TAX
25 SYSTEMS.—

1 (1) IN GENERAL.—The requirements of this
2 section are intended to ensure that each Member
3 State provides and maintains the necessary sim-
4 plifications to its sales and use tax system to war-
5 rant the collection authority granted to it in section
6 4.

7 (2) REDUCTION OF ADMINISTRATIVE BUR-
8 DENS.—The requirements of this section should be
9 construed—

10 (A) to require each Member State to sub-
11 stantially reduce the administrative burdens as-
12 sociated with sales and use taxes; and

13 (B) as allowing each Member State to ex-
14 ercise flexibility in how these requirements are
15 satisfied.

16 (3) EXCEPTION.—In instances where exceptions
17 to the requirements of this section can be exercised
18 in a manner that does not materially increase the
19 administrative burden on a seller obligated to collect
20 or pay the taxes, such exceptions are permissible.

21 **SEC. 8. LIMITATION.**

22 (a) IN GENERAL.—Nothing in this Act shall be con-
23 strued as—

1 (1) subjecting a seller to franchise taxes, in-
2 come taxes, or licensing requirements of a Member
3 State or political subdivision thereof; or

4 (2) affecting the application of such taxes or re-
5 quirements or enlarging or reducing the authority of
6 any Member State to impose such taxes or require-
7 ments.

8 (b) NO EFFECT ON NEXUS, ETC.—

9 (1) IN GENERAL.—No obligation imposed by
10 virtue of the authority granted by section 4 shall be
11 considered in determining whether a seller has a
12 nexus with any Member State for any other tax pur-
13 pose.

14 (2) PERMISSIBLE MEMBER STATE AUTHOR-
15 ITY.—Except as provided in subsection (a), and in
16 section 4, nothing in this Act permits or prohibits a
17 Member State from—

18 (A) licensing or regulating any person;

19 (B) requiring any person to qualify to
20 transact intrastate business;

21 (C) subjecting any person to State taxes
22 not related to the sale of goods or services; or

23 (D) exercising authority over matters of
24 interstate commerce.

1 **SEC. 9. EXPEDITED JUDICIAL REVIEW.**

2 (a) **THREE-JUDGE DISTRICT COURT HEARING.**—

3 Notwithstanding any other provision of law, any civil ac-
4 tion challenging the constitutionality of this Act, or any
5 provision thereof, shall be heard by a district court of
6 three judges convened pursuant to the provisions of sec-
7 tion 2284 of title 28, United States Code.

8 (b) **APPELLATE REVIEW.**—

9 (1) **IN GENERAL.**—Notwithstanding any other
10 provision of law, an interlocutory or final judgment,
11 decree, or order of the court of three judges in an
12 action under subsection (a) holding this Act, or any
13 provision thereof, unconstitutional shall be review-
14 able as a matter of right by direct appeal to the Su-
15 preme Court.

16 (2) **30-DAY TIME LIMIT.**—Any appeal under
17 paragraph (1) shall be filed not more than 30 days
18 after the date of entry of such judgment, decree, or
19 order.

20 **SEC. 10. DEFINITIONS.**

21 For the purposes of this Act the following definitions
22 apply:

23 (1) **AFFILIATE.**—The term “affiliate” means
24 any entity that controls, is controlled by, or is under
25 common control with a seller.

1 (2) GOVERNING BOARD.—The term “Governing
2 Board” means the governing board established by
3 the Streamlined Sales and Use Tax Agreement.

4 (3) MEMBER STATE.—The term “Member
5 State”—

6 (A) means a Member State as that term is
7 used under the Streamlined Sales and Use Tax
8 Agreement as of the date of enactment of this
9 Act;

10 (B) does not include associate members
11 under the Agreement; and

12 (C) includes any federally recognized In-
13 dian Tribe that is accorded Member State sta-
14 tus under the Agreement pursuant to section 5.

15 (4) NATIONWIDE.—The term “nationwide”
16 means throughout each of the several States and the
17 District of Columbia, the Commonwealth of Puerto
18 Rico, Guam, American Samoa, the Virgin Islands,
19 the Northern Mariana Islands, and any other terri-
20 tory or possession of the United States.

21 (5) NONDISCRETIONARY DUTY OF THE GOV-
22 ERNING BOARD.—The phrase “nondiscretionary
23 duty of the Governing Board” means any duty of
24 the Governing Board specified in the Agreement as

1 a requirement for action by use of the term “shall”,
2 “will”, or “is required to”.

3 (6) PERSON.—The term “person” means an in-
4 dividual, trust, estate, fiduciary, partnership, cor-
5 poration, federally recognized Indian Tribe or Tribal
6 government, State or local government, or any other
7 legal entity.

8 (7) REMOTE SALE.—The term “remote sale”
9 refers to a sale of goods or services attributed to a
10 particular Member State with respect to which a
11 seller does not have adequate physical presence to
12 establish nexus under the law existing on the day be-
13 fore the date of enactment of this Act so as to allow
14 such Member State to require, without regard to the
15 authority granted by this Act, the seller to collect
16 and remit sales or use taxes with respect to such
17 sale.

18 (8) REMOTE SELLER.—The term “remote sell-
19 er” means any seller who makes a remote sale.

20 (9) STATE.—The term “State” means any
21 State of the United States of America and includes
22 the District of Columbia, Puerto Rico, and any other
23 territory or possession of the United States.

24 (10) STREAMLINED SALES AND USE TAX
25 AGREEMENT.—The term “Streamlined Sales and

1 Use Tax Agreement” (or “the Agreement”) means
2 the multistate agreement with that title adopted on
3 November 12, 2002, as amended through the date of
4 enactment of this Act and unless the context other-
5 wise indicates as further amended from time to time.

6 (11) TAX ON TELECOMMUNICATIONS SERV-
7 ICES.—The term “tax on telecommunications serv-
8 ices” or “taxes on telecommunication services” shall
9 encompass the same taxes, charges, or fees as are
10 included in section 116 of title 4, United States
11 Code, except that “telecommunication services” shall
12 replace “mobile telecommunications services” when-
13 ever such term appears.

14 (12) TELECOMMUNICATIONS SERVICE.—

15 (A) IN GENERAL.—The term “tele-
16 communications service” means the electronic
17 transmission, conveyance, or routing of voice,
18 data, audio, video, or any other information or
19 signals to a point, or between or among points.

20 (B) INCLUSION.—The term “telecommuni-
21 cation service”—

22 (i) includes transmission services in
23 which computer processing applications are
24 used to act on the form, code, or protocol
25 of the content for purposes of trans-

1 mission, conveyance, or routing without re-
2 gard to whether such services are referred
3 to as voice over Internet protocol services
4 or are classified by the Federal Commu-
5 nications Commission as enhanced or value
6 added services; and

7 (ii) does not include the data proc-
8 essing and information services that allow
9 data to be generated, acquired, stored,
10 processed, or retrieved and delivered by an
11 electronic transmission to a purchaser
12 where the primary purpose of such pur-
13 chaser for the underlying transaction is the
14 processed data or information.

15 **SEC. 11. SENSE OF THE CONGRESS ON DIGITAL GOODS AND**
16 **SERVICES.**

17 It is the sense of the Congress that each State that
18 is a party to the Agreement should work with other States
19 that are also party to the Agreement to prevent double
20 taxation in situations where a foreign country has imposed
21 a transaction tax on a digital good or service.

○