

access to sanitation, more than 70 percent of households have electricity, and 9 million people have gained access to clean water since 1994.

However, my visit to South Africa also underscored that South Africa still faces daunting challenges that threaten to undo the gains it has made since 1994. First, and foremost, the most pressing issue facing not only South Africa, but also all of sub-Saharan Africa, remains HIV/AIDS. The 2003 announcement by the Mbeki government that it would soon begin providing antiretroviral treatment on a national scale to South Africans living with AIDS was an important step. President Mbeki was slow to come to this decision, and I hope now he will move forward with greater commitment. The South African government must persevere in combating the challenge of HIV/AIDS by making a strong political commitment and by expanding its prevention and treatment programs, such as the impressive ones that I visited during my time there.

Also facing South Africa and its neighbors is the economic and humanitarian crisis caused by Robert Mugabe's despotic regime in nearby Zimbabwe. I have spoken on this floor before to condemn President Mugabe's brutal oppression of his own people, and it is imperative that South Africa take a lead role among the international community in agitating for real change in practices of the Zimbabwean government.

Nelson Mandela aptly said, "It is better to lead from behind and to put others in front, especially when you celebrate victory when nice things occur. You take the front line where there is danger. Then people will appreciate your leadership." Now is the proper time to celebrate the anniversary of South Africa's transition to an inclusive democracy, and we all look forward to South Africa taking a stronger leadership role on the front lines against the twin dangers of HIV/AIDS in Sub-Saharan Africa and the oppressive regime of Robert Mugabe.

To that end, today I submit a resolution to commemorate this important event. I'm proud to be joined in this effort by Senator FEINGOLD, the ranking member of the Subcommittee on Africa Affairs, which I chair, Senator LUGAR, the Chairman of the Foreign Relations Committee, and Senator BIDEN, the Ranking Member of the Foreign Relations Committee. Senator FEINGOLD has been an active leader on African issues throughout his tenure in the Senate, and I have been privileged to serve with him on our Subcommittee. Chairman LUGAR and Senator BIDEN were both leaders on the issue of sanctions against the apartheid regime of South Africa in the 1980's and early '90's. I hope they feel a sense of satisfaction, today, in celebrating ten years of successful majority rule since the peaceful end of that regime.

Today is Freedom Day in South Africa, a day to celebrate the end of apart-

heid, and the beginning of majority rule in that country. I hope my colleagues will join me in supporting this resolution to commemorate that event.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3048. Mr. MCCAIN proposed an amendment to the bill S. 150, to make permanent the moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce imposed by the Internet Tax Freedom Act.

SA 3049. Mrs. HUTCHISON proposed an amendment to amendment SA 3048 proposed by Mr. MCCAIN to the bill S. 150, supra.

SA 3050. Mr. DASCHLE (for himself, Mr. DURBIN, and Mr. JOHNSON) proposed an amendment to the bill S. 150, supra.

SA 3051. Mr. DOMENICI proposed an amendment to amendment SA 3050 proposed by Mr. DASCHLE (for himself, Mr. DURBIN, and Mr. JOHNSON) to the bill S. 150, supra.

TEXT OF AMENDMENTS

SA 3048. Mr. MCCAIN proposed an amendment to the bill S. 150, to make permanent the moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce imposed by the Internet Freedom Act; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Internet Tax Nondiscrimination Act".

SEC. 2. FOUR-YEAR EXTENSION OF INTERNET TAX MORATORIUM.

(a) IN GENERAL.—Subsection (a) of section 1101 of the Internet Tax Freedom Act (47 U.S.C. 151 note) is amended to read as follows:

“(a) MORATORIUM.—No State or political subdivision thereof may impose any of the following taxes during the period beginning November 1, 2003, and ending November 1, 2007:

“(1) Taxes on Internet access.
“(2) Multiple or discriminatory taxes on electronic commerce.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1101 of the Internet Tax Freedom Act (47 U.S.C. 151 note) is amended by striking subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(2) Section 1104(10) of the Internet Tax Freedom Act (47 U.S.C. 151 note) is amended to read as follows:

“(10) TAX ON INTERNET ACCESS.—

“(A) IN GENERAL.—The term ‘tax on Internet access’ means a tax on Internet access, regardless of whether such tax is imposed on a provider of Internet access or a buyer of Internet access and regardless of the terminology used to describe the tax.
“(B) GENERAL EXCEPTION.—The term ‘tax on Internet access’ does not include a tax levied upon or measured by net income, capital stock, net worth, or property value.”.

(3) Section 1104(2)(B)(i) of the Internet Tax Freedom Act (47 U.S.C. 151 note) is amended by striking “except with respect to a tax (on Internet access) that was generally imposed and actually enforced prior to October 1, 1998.”.

(c) INTERNET ACCESS SERVICE; INTERNET ACCESS.—

(1) INTERNET ACCESS SERVICE.—Paragraph (3)(D) of section 1101(d) (as redesignated by subsection (b)(1) of this section) of the Inter-

net Tax Freedom Act (47 U.S.C. 151 note) is amended by striking the second sentence and inserting “The term ‘Internet access service’ does not include telecommunications services, except to the extent such services are purchased, used, or sold by a provider of Internet access to provide Internet access.”.

(2) INTERNET ACCESS.—Section 1104(5) of that Act is amended by striking the second sentence and inserting “The term ‘Internet access’ does not include telecommunications services, except to the extent such services are purchased, used, or sold by a provider of Internet access to provide Internet access.”.

SEC. 3. GRANDFATHERING OF STATES THAT TAX INTERNET ACCESS.

The Internet Tax Freedom Act (47 U.S.C. 151 note) is amended—

(1) by redesignating section 1104 as section 1105; and

(2) by inserting after section 1103 the following:

“SEC. 1104. GRANDFATHERING OF STATES THAT TAX INTERNET ACCESS.

“(a) PRE-OCTOBER 1998 TAXES.—

“(1) IN GENERAL.—Section 1101(a) does not apply to a tax on Internet access that was generally imposed and actually enforced prior to October 1, 1998, if, before that date, the tax was authorized by statute and either—

“(A) a provider of Internet access services had a reasonable opportunity to know, by virtue of a rule or other public proclamation made by the appropriate administrative agency of the State or political subdivision thereof, that such agency has interpreted and applied such tax to Internet access services; or

“(B) a State or political subdivision thereof generally collected such tax on charges for Internet access.

“(2) TERMINATION.—This subsection shall not apply after November 1, 2006.

“(b) PRE-NOVEMBER 2003 TAXES.—

“(1) IN GENERAL.—Section 1101(a) does not apply to a tax on Internet access that was generally imposed and actually enforced as of November 1, 2003, if, as of that date, the tax was authorized by statute and—

“(A) a provider of Internet access services had a reasonable opportunity to know by virtue of a public rule or other public proclamation made by the appropriate administrative agency of the State or political subdivision thereof, that such agency has interpreted and applied such tax to Internet access services; and

“(B) a State or political subdivision thereof generally collected such tax on charges for Internet access.

“(2) TERMINATION.—This subsection shall not apply after November 1, 2005.”.

SEC. 4. ACCOUNTING RULE.

The Internet Tax Freedom Act (47 U.S.C. 151 note) is amended by adding at the end the following:

“SEC. 1106. ACCOUNTING RULE.

“(a) IN GENERAL.—If charges for Internet access are aggregated with and not separately stated from charges for telecommunications services or other charges that are subject to taxation, then the charges for Internet access may be subject to taxation unless the Internet access provider can reasonably identify the charges for Internet access from its books and records kept in the regular course of business.

“(b) DEFINITIONS.—In this section:

“(1) CHARGES FOR INTERNET ACCESS.—The term ‘charges for Internet access’ means all charges for Internet access as defined in section 1105(5).

“(2) CHARGES FOR TELECOMMUNICATIONS SERVICES.—The term ‘charges for telecommunications services’ means all charges for telecommunications services, except to