



July 23, 2024

RE: SMALL BUSINESSES OPPOSE DIGITAL ADVERTISING TAXES

To Whom It May Concern,

Internet for Growth is a [nationwide coalition of small businesses, startups, and entrepreneurs advocating for digital advertising](#). We urge you to oppose a digital advertising tax in Nebraska that would raise costs for small businesses and increase prices for every product and service that depends on digital advertising to reach customers.

Digital advertising is less expensive and more effective than radio, TV, or print. Search engines, streaming services, and social media platforms have leveled the playing field for Nebraska small businesses to compete against big companies on a national or even international scale. Representing almost two thirds of all advertising, digital advertising is essential to starting a business in today's online economy.

According to the Small Business and Entrepreneurship Council, [digital advertising helps small businesses save time and money, enabling them to invest in hiring and increasing wages](#). Research from the Interactive Advertising Bureau (IAB) shows that digital advertising [supports thousands of jobs in Nebraska, both directly and indirectly](#). Many Internet for Growth members, from ranchers and realtors to artists and auto dealers, would be unable to advertise without low-cost digital options.

According to the U.S. Small Business Administration, [99% of Nebraska businesses are small businesses, accounting for almost half of the state's employment](#). The Platte Institute notes that a potential 7.5% tax on digital advertising services would have a severe impact on millions of people: "This spiral of taxation... swells the cost of goods and services in a way that you cannot see transparently. This results in unseen taxation through higher prices for goods and services."

We urge you to consider the [significant negative impact this tax would have on small businesses and the broader Nebraska economy](#). Thank you for your attention to this critical issue.

Sincerely,

Brendan Thomas

Brendan Thomas

Executive Director
Internet for Growth