



AMERICANS
for TAX REFORM

March 23, 2026

To: Members of the Iowa House of Representatives
From: Americans for Tax Reform
Re: Oppose HSB 324

Dear Representative,

On behalf of Americans for Tax Reform and our supporters across the country, I want to commend you for your continued leadership in defending Iowa taxpayers. Your efforts to dramatically reduce the state income tax represent a major step forward for Iowa's economic competitiveness and for families seeking to keep more of their hard-earned money. By prioritizing pro-growth tax reform, you have helped ensure that Iowa remains an attractive place to live, work, and invest.

I write today in opposition to HSB 324, a bill that would prohibit interchange fees on the sales tax portion of electronic payment transactions in Iowa.

Price controls levied on interchange fees are diametrically opposed to free market principles. Legislators should oppose such laws and any attempt at price controls for credit cards.

Interchange fees help fund zero-liability fraud protections for cardholders, as well as cybersecurity, chargeback dispute resolutions, and other valuable services exclusive to card payments. **Capping interchange fee revenue could result in a loss of these benefits, in addition to higher annual fees and interest rates for consumers simply to maintain the network.**

Price controls on interchange fees have no discernible benefits for consumers. Interchange fees represent the cost of facilitating and processing card transactions for merchants. Just as consumers benefit from quick, secure, and convenient payments at the point of sale, merchants too enjoy the speed, convenience, and security that card payments provide.

Americans for Tax Reform opposes price controls in any form and respectfully urges you to oppose HSB 324.

Sincerely,

Grover Norquist
President, Americans for Tax Reform

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org