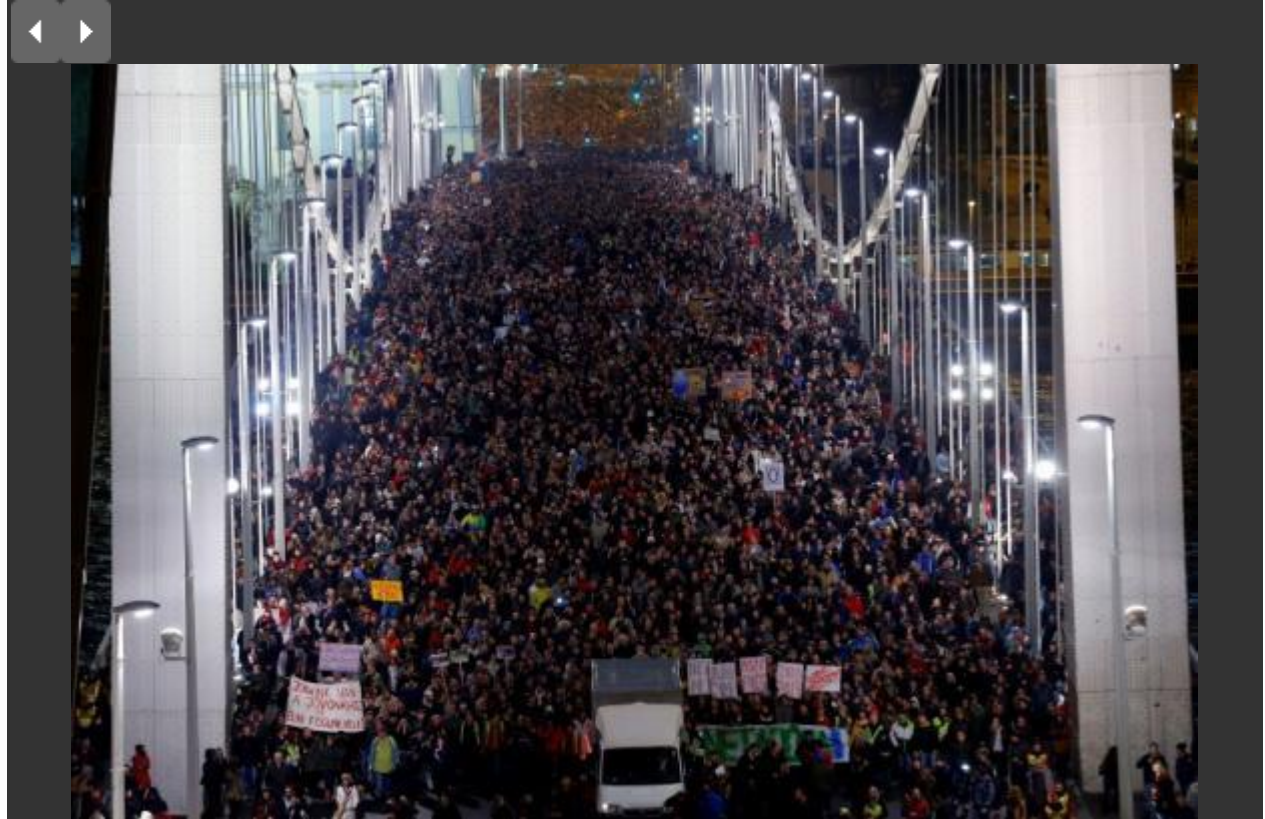


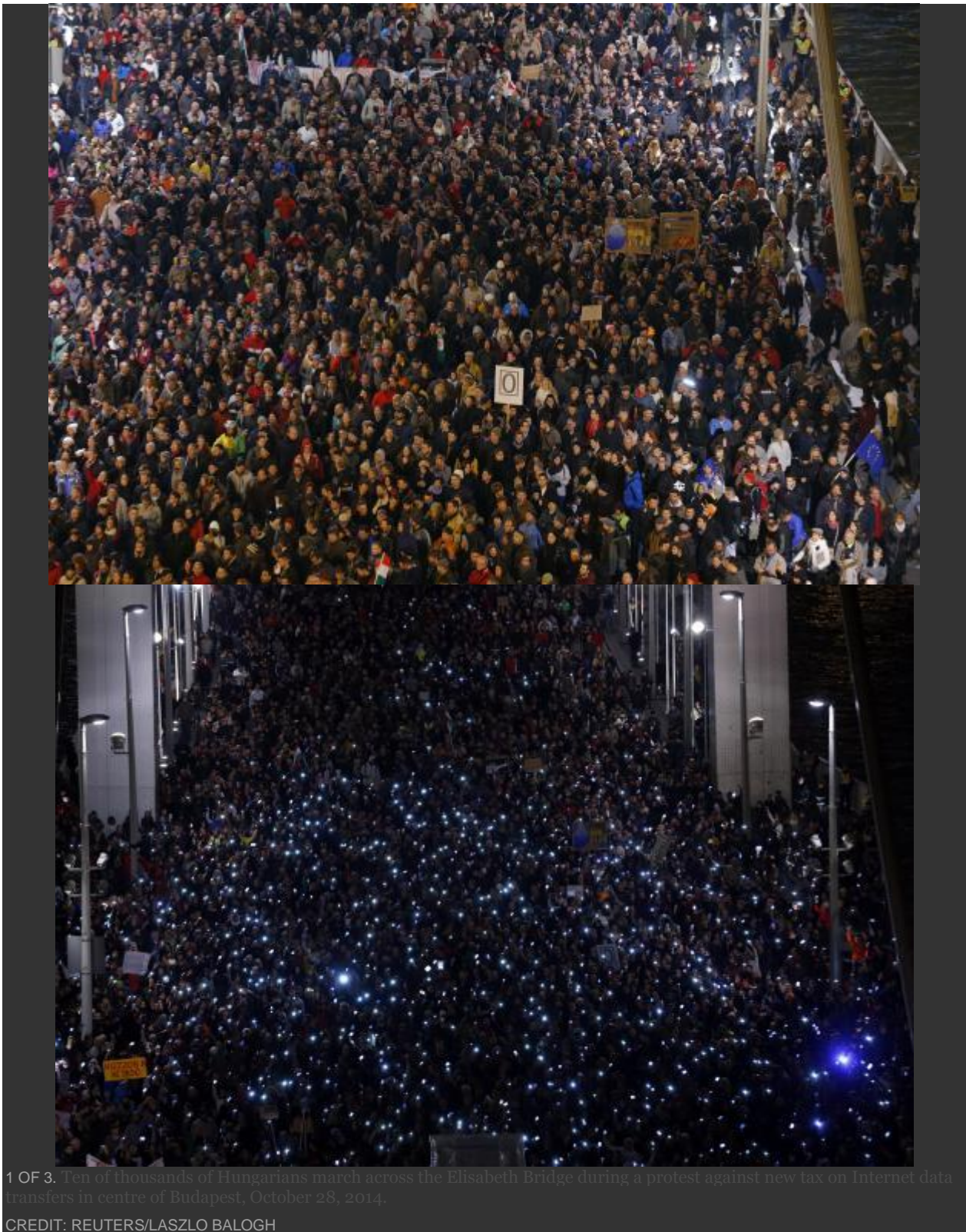
<http://www.reuters.com/article/2014/10/28/us-hungary-internet-protest-idUSKBN0IH29M20141028>

Around 100,000 Hungarians rally for democracy as internet tax hits nerve

BY MARTON DUNAI

BUDAPEST Tue Oct 28, 2014 5:28pm EDT





1 OF 3. Ten of thousands of Hungarians march across the Elisabeth Bridge during a protest against new tax on Internet data transfers in centre of Budapest, October 28, 2014.

CREDIT: REUTERS/LASZLO BALOGH

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(Reuters) - About 100,000 Hungarians rallied on Tuesday night to protest at a planned tax on data traffic and the broader course of Prime Minister Viktor Orban's government they saw as undermining democracy and relations with European Union peers.

It was by far the largest protest since his center-right government took power in 2010 and pursued moves to redefine many walks of life, drawing accusations of creeping authoritarianism, although it was re-elected by a landslide this year.

Orban's government has imposed special taxes on the banking, [retail](#), energy and telecommunications sectors to keep the budget deficit in check, jeopardizing profits in some parts of the [economy](#) and unnerving international investors.

The Internet data levy idea was first floated in the 2015 tax code submitted to the Central European country's parliament last week, triggering objections from Internet service providers and users who felt it was anti-democratic.

The crowd, which was organized by a Facebook-based social network and appeared to draw mostly well-heeled professionals, marched through central Budapest demanding the repeal of the planned tax and the ouster of Orban.

Many protesters held up makeshift signs that read "ERROR!" and "How many times do you want to skin us?"

Zsolt Varady, an internet entrepreneur and founder of a now-defunct Hungarian social network [iwiw.hu](#), told the crowd that the tax threatened to undermine Internet freedoms.

"Between 2006 and 2006 iwiw motivated many people to get an internet subscription," Varady said. "People were willing to pay for the service because they knew, saw and felt that their lives were becoming better... The Internet tax threatens the further growth of the Internet as well as freedom of information."

TAX REDUCED AFTER FIRST PROTEST

The government had planned to tax internet data transfers at a rate of 150 forints per gigabyte. After analysts calculated this would total more than the sector's annual revenue and an initial protest drew thousands on Sunday, Fidesz submitted a bill that capped the tax at 700 forints per month for individuals and 5,000 forints for companies.

That did not placate Tuesday's protesters.

"I am a student, my parents are not well off, neither am I, so I work hard," said Ildiko Pirk, a 22-year-old studying nursing. "I doubt the internet companies won't build this tax into their prices. And I have a computer, a smartphone, as does my mother and my four siblings... That adds up."

She said the internet was vital for her to get the books she needs for her studies but also to read unbiased news that is not under the control of Hungary's ruling political elite.

She and other protesters said the government's other moves also bothered them, such as a perceived mismanagement of the [economy](#) and a recent dispute with the United States over alleged corruption of Hungarian public officials.

The Orban government denied any anti-democratic agenda, saying it aimed only to get all economic sectors to share the tax burden and was tapping into a trend of telecommunications shifting away from already-taxed telephony and text messages.

The European Commission also criticized the proposed tax.

"It's part of a pattern... of actions which have limited freedoms or sought to take rents without achieving a wider economic or social interest," said Ryan Heath, spokesman for outgoing Commission Vice President Neelie Kroes.

Heath said the tax was economically misguided because it was based on data traffic now growing rapidly around the world.

(1 US dollar = 242.0100 Hungarian forint)

(Reporting by Marton Dunai; Editing by [Mark Heinrich](#))