

1 **COMMITTEES: Executive Committee Task Force on State &**
2 **Local Taxation**

3 **Communications, Financial Services &**
4 **Interstate Commerce Committee**

5 **Budgets & Revenue Committee**

6 **POLICY: National Conference of State Legislatures**
7 **Opposes Extension of the Internet Tax Freedom**
8 **Act Before Adoption of Remote Sales Tax**
9 **Collection Authority**

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11 **TYPE OF POLICY: Resolution**
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14 **WHEREAS**, since the adoption of the initial Internet Tax Freedom Act in 1998, the Internet
15 has evolved far beyond an informational resource to a service that has changed nearly
16 every aspect of the economy, including the way individuals communicate, work, shop,
17 and are entertained; and
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19 **WHEREAS**, the exponential adoption and rapid proliferation of internet services has
20 dramatically increased the amount of internet commerce. According to figures from
21 eMarketer, total US retail sales topped \$4.5 trillion in 2013 and will continue to grow; and
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23 **WHEREAS**, the current moratorium on the taxation of Internet access expires on
24 September 30; and;
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26 **WHEREAS**, the U.S. House of Representatives passed by voice vote the Permanent
27 Internet Tax Freedom Act (PITFA) in June; and
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29 **WHEREAS**, Congress has yet to pass legislation that would allow states and localities to
30 collect the sales and use taxes that they are owed from purchases made over the Internet,
31 which is costing states an estimated loss of revenue of \$23 billion annually and growing;
32 and
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34

35 **NOW, THEREFORE BE IT RESOLVED**, that the National Conference of State
36 Legislatures calls upon Congress to pass legislation that would allow states to collect
37 sales taxes they are owed from remote purchases before, or in concert with, legislation
38 that would extend or make permanent the moratorium on the taxation of internet access;
39 and

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41 **BE IT FURTHER RESOLVED**, that NCSL calls upon the U.S. Senate to delay
42 consideration of the House passed legislation until such time that the legislation is joined
43 with legislation that would allow states to require remote sellers to collect sales taxes
44 owed on remote transactions; and

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46 **BE IT FURTHER RESOLVED**, that the National Conference of State Legislatures will
47 oppose efforts to extend the moratorium unless Congress first passes remote sales tax
48 collection legislation or both proposals are joined; and

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50 **BE IT FURTHER RESOLVED**, that NCSL will transmit copies of this resolution to all
51 members of the 114th Congress.