

1 **COMMITTEES:** **Communications, Financial Services &**
2 **Interstate Commerce**

3 **Budgets and Revenue**

4 **Task Force on State and Local Taxation**

5 **POLICY:** **National Conference of State Legislatures**
6 **Supports and Urges Enactment of the**
7 **Marketplace Fairness Act**

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9 **TYPE OF POLICY:** **Action**

10 WHEREAS, the 1967 *Bellas Hess* and the 1992 *Quill* Supreme Court decisions
11 denied states the authority to require the collection of sales and use taxes by out-
12 of-state sellers that have no physical presence in the taxing state; and

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14 WHEREAS, the combined weight of the inability to collect sales and use taxes
15 due on remote sales through traditional carriers and the tax erosion from
16 electronic commerce threatens the future viability of the sales tax as a stable
17 revenue source for state and local governments; and

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19 WHEREAS, a report from the Center for Business Research at the University of
20 Tennessee has estimated that in fiscal year 2012, states will lose over \$23 billion
21 in uncollected sales tax revenues from out of state sales; and

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23 NOW, THEREFORE BE IT RESOLVED THAT, the National Conference of State
24 Legislatures supports the Marketplace Fairness Act, introduced by Senators
25 Durbin of Illinois and Enzi of Wyoming that authorizes each member state under
26 the Streamlined Sales and Use Tax Agreement to require all sellers not
27 qualifying for a small-seller exception to collect and remit sales and use taxes
28 with respect to remote sales and allows a state that is not a member state under
29 the Agreement to require sellers to collect and remit sales and use taxes with

30 respect to remote sales sourced to such state if the state adopts and implements
31 certain minimum simplification requirements; and

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33 BE IT FURTHER RESOLVED THAT, the National Conference of State
34 Legislatures calls upon the Congress to move swiftly to consider and approve the
35 Marketplace Fairness Act that grants states collection authority and provides \$23
36 billion in fiscal relief to the states without a dime coming from the U.S. Treasury;
37 and

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39 BE IT FURTHER RESOLVED THAT, the National Conference of State
40 Legislatures urges the President to sign the Marketplace Fairness Act that grants
41 states collection authority into law, upon its passage by the Congress; and

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43 BE IT FURTHER RESOLVED THAT, a copy of this resolution be sent to the
44 President of the United States and to all the members of Congress.