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SENATE CONCURRENT RESOLUTION NO. 35—  
SENATOR COFFIN

MAY 11, 2009

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Referred to Committee on Taxation

SUMMARY—Urges Congress to enact legislation allowing states to collect sales taxes on remote sales, including sales on the Internet. (BDR R-1312)

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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SENATE CONCURRENT RESOLUTION—Urging Congress to enact legislation allowing states to collect sales taxes on remote sales, including sales on the Internet.

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

5 WHEREAS, The combined weight of the inability to collect sales  
6 and use taxes on remote sales through traditional carriers and the tax  
7 erosion due to electronic commerce threatens the future viability of  
8 the sales tax as a stable revenue source for state and local  
9 governments; and

10 WHEREAS, The Center for Business and Economic Research at  
11 the University of Tennessee has estimated that states lost as much as  
12 \$30 billion in 2008 because they were not able to collect taxes on  
13 remote sales, including sales on the Internet; and

14 WHEREAS, Since 1999, state legislators, governors, local elected  
15 officials, state tax administrators and representatives of the private  
16 sector have worked to develop a streamlined sales and use tax  
17 collection system for the 21st century; and

18 WHEREAS, Between 2001 and 2004, Nevada and 39 other states  
19 enacted legislation expressing the intent to simplify the states' sales  
20 and use tax collection systems and to participate in multistate  
21 discussions to finalize and ratify an interstate agreement to  
22 streamline collection of the states' sales and use taxes; and



1 WHEREAS, On November 12, 2002, state delegates unanimously  
2 ratified the Streamlined Sales and Use Tax Agreement, which  
3 substantially simplifies state and local sales and use tax collection  
4 systems, removes the burdens to interstate commerce that were of  
5 concern to the Supreme Court and protects state sovereignty; and

6 WHEREAS, The Streamlined Sales and Use Tax Agreement  
7 provides the states with a blueprint to create a simplified and more  
8 uniform sales and use tax collection system that, when implemented,  
9 allows justification for Congress to overturn the *Bellas Hess* and  
10 *Quinn* decisions; and

11 WHEREAS, By March 1, 2009, 23 states, including Arkansas,  
12 Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska,  
13 Nevada, New Jersey, North Carolina, North Dakota, Ohio,  
14 Oklahoma, Rhode Island, South Dakota, Tennessee, Utah, Vermont,  
15 Washington, West Virginia, Wisconsin and Wyoming, representing  
16 over 30 percent of the total population of the United States, enacted  
17 legislation to bring their states' sales and use tax statutes into  
18 compliance with the Agreement; and

19 WHEREAS, The members of the Nevada Legislature and our  
20 colleagues in the other states have shown the resolve to  
21 acknowledge the complexities of the current sales and use tax  
22 collection system, have worked with the business community to  
23 formulate a truly simplified and streamlined sales and use tax  
24 collection system and have shown the political will to enact the  
25 necessary changes to make the streamlined sales and use tax  
26 collection system the law; and

27 WHEREAS, The Main Street Fairness Act will be introduced in  
28 the 111th Congress to grant those states that comply with the  
29 Agreement the authority to require all sellers, regardless of nexus, to  
30 collect those states' sales and use taxes; and

31 WHEREAS, Supporting Nevada's efforts to comply with the  
32 Streamlined Sales and Use Tax Agreement and the federal  
33 legislation granting collection authority to the states are such  
34 organizations as: Associated Builders and Contractors-Sierra  
35 Nevada Chapter, Associated General Contractors-Las Vegas  
36 Chapter, Carson City Chamber of Commerce, Chancellor and  
37 Executive Vice Chancellor-Nevada System of Higher Education,  
38 Las Vegas Chamber of Commerce, Las Vegas Police Protective  
39 Association Metro, Inc., League of Women Voters of Nevada,  
40 NAIOP, Nevada Association of School Boards, Nevada Bankers  
41 Association, Nevada Chapter Associated General Contractors,  
42 Nevada Franchised Auto Dealers Association, Nevada  
43 Manufacturers Association, Nevada Mining Association, Nevada  
44 Motor Transport Association, Nevada Petroleum Marketers &  
45 Convenience Store Association, Nevada Rental Car Group, Nevada



1 State Education Association, Nevada Taxpayers Association,  
2 Professional Fire Fighters of Nevada, Progressive Leadership  
3 Alliance of Nevada, Reno Sparks Chamber of Commerce and Retail  
4 Association of Nevada; and

5 WHEREAS, Until Congress and the President enact the Main  
6 Street Fairness Act, participation by remote sellers is only voluntary  
7 and thus states are unlikely to close the revenue gap between what is  
8 owed on remote transactions and what is collected; and

9 WHEREAS, Congressman Roy Blunt of Missouri has termed this  
10 federal legislation as “fiscal relief for the states that does not cost  
11 the Federal Government a single cent,” ensuring the viability of the  
12 sales and use tax as a state revenue source; now, therefore, be it

13 RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE  
14 ASSEMBLY CONCURRING, That the members of the Nevada  
15 Legislature call upon the members of our Congressional Delegation  
16 to join as cosponsors of the Main Street Fairness Act, to support its  
17 swift adoption by the Congress of the United States and to urge  
18 President Barack Obama to sign this Act into law upon its passage  
19 by Congress; and be it further

20 RESOLVED, That the Secretary of the Senate prepare and  
21 transmit a copy of this resolution to the President of the United  
22 States, the Vice President of the United States as the presiding  
23 officer of the United States Senate, the Speaker of the House of  
24 Representatives and each member of the Nevada Congressional  
25 Delegation.

