

Senate Concurrent Resolution No. 35–
Senator Coffin

FILE NUMBER.....

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

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

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

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

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

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

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

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

WHEREAS, By March 1, 2009, 23 states, including Arkansas, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska, Nevada, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Rhode Island, South Dakota, Tennessee, Utah, Vermont,



Washington, West Virginia, Wisconsin and Wyoming, representing over 30 percent of the total population of the United States, enacted legislation to bring their states' sales and use tax statutes into compliance with the Agreement; and

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

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

WHEREAS, Supporting Nevada's efforts to comply with the Streamlined Sales and Use Tax Agreement and the federal legislation granting collection authority to the states are such organizations as: Associated Builders and Contractors-Sierra Nevada Chapter, Associated General Contractors-Las Vegas Chapter, Carson City Chamber of Commerce, Chancellor and Executive Vice Chancellor-Nevada System of Higher Education, Las Vegas Chamber of Commerce, Las Vegas Police Protective Association Metro, Inc., League of Women Voters of Nevada, NAIOP, Nevada Association of School Boards, Nevada Bankers Association, Nevada Chapter Associated General Contractors, Nevada Franchised Auto Dealers Association, Nevada Manufacturers Association, Nevada Mining Association, Nevada Motor Transport Association, Nevada Petroleum Marketers & Convenience Store Association, Nevada Press Association, Nevada Rental Car Group, Nevada State AFL-CIO, Nevada State Education Association, Nevada Taxpayers Association, Professional Fire Fighters of Nevada, Progressive Leadership Alliance of Nevada, Reno Sparks Chamber of Commerce and Retail Association of Nevada; and

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

WHEREAS, Congressman Roy Blunt of Missouri has termed this federal legislation as "fiscal relief for the states that does not cost



the Federal Government a single cent,” ensuring the viability of the sales and use tax as a state revenue source; now, therefore, be it

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

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

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