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RETAILERS JOIN LOCAL AND STATE GOVERNMENTS TO PRESS CONGRESS FOR MARKETPLACE FAIRNESS

Washington, D.C. -- On the heels of Black Friday and Cyber Monday, a coalition of local and state government officials and private sector retailers came together today on Capitol Hill to urge Congress to level the tax playing field by passing the Marketplace Fairness legislation.

The Marketplace Fairness Act (MFA) would bring sales taxes into the 21st century enabling local stores and online sellers to operate under the same rules. It helps Main Street businesses by simply allowing local and state governments to collect already-owed taxes regardless of whether a purchase is made physically in a store, on the phone or online.

Salt Lake City Mayor Ralph Becker and President of the National League of Cities recognized the legislation's champions, Senators Lamar Alexander, Richard Durbin, Heidi Heitkamp and Mike Enzi, as well as Arkansas Congressman Steve Womack, noting that after a decade of work, The MFA passed the Senate last year with broad bipartisan support. Said Mayor Becker, "This bill shows that support for this issue exists on both sides of the aisle. It is widely seen as a sensible solution that will put our Main Street retailers on a level playing field by eliminating an unfair 'tax break'."

The coalition, which has worked on this measure for many years, stressed that this legislation is long overdue. In fact, the "Big 7" organization, comprised of The National Governors Association, The National Conference of State Legislators, The Council of State Governments, the National Association of Counties, the National League of Cities, The U.S. Conference of Mayors and the International City/County Management Association, sent a [letter](#) to Congressional leaders last month calling on Congress to combine the MFA with a temporary extension of the Internet Freedom Act and pass the measure this year.

The officials also emphasized that current system is outdated and does not reflect the realities of today's marketplace. Online sales continue to explode as sales for Black Friday last week netted \$2.4 billion, a 24 percent increase over Black Friday 2013, according to Adobe. Moreover, sales from Monday's Cyber Monday sales were expected to reach \$2.6 billion. Yet, without the ability to enforce existing sales taxes for online purchases, states and local governments lose more than \$26 billion in taxes already owed on Internet sales.

President-elect of The National Conference of State Legislators, State Senator Curt Bramble from Provo, UT explained that local governments cannot wait any longer and the time to pass this legislation is now. "Some in Congress have said that the legislation needs further review, however, MFA and similar efairness legislation has been introduced since 2002 and has received over 12 years of review, debate, and committee hearings. The time for review is over; it is time to act. The House of Representatives needs to move efairness legislation in this Congress."

Craven County, NC Commissioner Scott Dacey representing the National Association of Counties, underscored the critical impact of those uncollected funds. "State and local governments use sales taxes to pay for programs and services that affect people's lives every day -- like fire protection, emergency services, law enforcement and economic development. Online businesses, too, benefit from public services like transportation networks and infrastructure. The lost revenue from remote sales shifts the tax burden from the larger population to a smaller group -- hitting property-owners especially hard."

Oklahoma City Mayor Mick Cornett and Second Vice President of The U.S. Conference of Mayors refuted the myth that this bill creates a new tax. "For those who will have folks believe the MFA represents a new tax, nothing could be further from the truth. Taxes on remote sales are already due in states that have sales and use tax laws in place. Yet, under current law, we are restricted in our ability to force remote sellers to collect these taxes. We believe passage of the MFA will give state and local governments a way to collect these taxes and level the playing field between online retailers and Main Street merchants."

National Governors Association Executive Director Dan Crippen focused on competition. "Congress should not be in the business of picking winners and losers. Doing nothing gives the out-of-state seller a leg up on the Main Street retailer who supports their community and creates local jobs. Congress needs to fix the problem this year."

With another holiday shopping season now underway, the Coalition is committed to its campaign to bring the nation's online economy into the 21st Century to promote the continued growth of electronic commerce, ensure fair competition and preserve state and local authority. It's urgent message to Congress: stop stalling and pass Marketplace Fairness now.

Additional Marketplace Fairness Act coalition partners include:

The National League of Cities
The National Association of Counties
The U.S. Conference of Mayors
The National Conference of State Legislators
The National Governors Association
The Council of State Governments
The International City/County Management Association
The Retail Leaders Industry Association
The International Council of Shopping Centers
The National Retail Federation

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