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NACo pleased with House committee action on online sales tax bill

WASHINGTON, D.C. – The National Association of Counties (NACo) today praised Rep. Robert Goodlatte (R-Va.), chairman of the House Judiciary Committee, and Ranking Member John Conyers (D-Mich.), for their efforts to develop principles and draft legislation to resolve the issue of remote sales tax collection.

In a March 12 letter to Goodlatte and Conyers, NACo joined the National Governors Association, the National League of Cities, the U.S. Conference of Mayors and other state and local government organizations to say state and local governments rely heavily on sales taxes to fund vital programs and services. Click here to read letter.

"We agree... that the remote sales tax issue is not about enacting new taxes, rather, it is an issue about collecting taxes that are already owed," the letter states. "Our nation’s main street retailers provide employment to our citizens, contribute to our charities, and help to keep our communities vibrant. It is inherently unfair that they must collect sales taxes while their online competitors do not."

Last May, the U.S. Senate passed The Marketplace Fairness Act of 2013, which would grant state and local governments the authority to enforce existing sales tax laws by requiring online and catalog retailers to collect sales tax at the time of transaction. NACo has urged the House to do the same.

Matt Chase, NACo’s executive director, said NACo is encouraged that the House Judiciary Committee held a hearing today on “Exploring Alternative Solutions on the Internet Sales Tax Issue.”

“The legislation is straightforward. It simply grants state and local governments the ability to enforce already existing sales and use tax laws while simultaneously leveling the playing field for the businesses that support our counties and local communities nationwide. Counties would use this revenue for critical services such as infrastructure, health and public safety,” Chase said.

Click here for more information on the Marketplace Fairness Act of 2013.

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The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo assists America’s 3,069 counties in pursuing excellence in public service to produce healthy, vibrant, safe and resilient counties. NACo promotes sound public policies, fosters county solutions and innovation, promotes intergovernmental and public-private collaboration and provides value-added services to save counties and taxpayers money. More information at: www.naco.org.