

March 15, 2016

The Honorable Robert Goodlatte  
Chairman  
House Committee on the Judiciary  
Washington, DC 20515

Dear Chairman Goodlatte,

As stakeholders interested in seeing movement on the remote sales tax collection issue, representing millions of businesses across the country, we respectfully request the House Judiciary Committee consider and report to the floor of the House of Representatives legislation that would allow states to collect existing sales and use taxes on remote purchases, providing clarity, uniformity and parity to America's merchants in today's multichannel marketplace.

Over the last three years, we have appreciated numerous meetings with you, your staff and members of the Judiciary Committee on this issue. We believe it is now time to mark-up legislation that addresses this issue in the Judiciary Committee. We believe the Committee should consider the two approaches to this critical issue that are being discussed -- H.R. 2775, the "Remote Transactions Parity Act" and the soon-to-be-introduced "Online Sales and Simplification Act". We stand ready to be a constructive participant in this process.

We believe that Congress should exercise its right and responsibility to oversee matters of interstate commerce. As you are aware, because the Congress has not passed remote sales tax legislation, numerous states have enacted or are considering varied approaches to collecting these current tax obligations. In some cases, states may also be pursuing back-taxes.

One particular state-based approach that rightfully concerns many stakeholders is the reporting requirement typified by the Colorado law recently upheld by the US Court of Appeals for the 10<sup>th</sup> Circuit. The Colorado reporting law, similar to reporting laws passed to date in four other states, would require remote sellers to report certain information to consumers and to state agencies on purchases over \$500. Not only does this law create an unnecessary administrative burden for remote sellers, but it also opens the door to serious privacy concerns for consumers.

The lack of movement from Congress on the issue of remote sales tax collection has left states, local governments and our merchants with no choice but to seek disjointed and confusing remedies through individual state activity. The business community is highly concerned that these state efforts could lead to the issue being decided by the courts. Further, this state-by-state approach prevents businesses from benefiting from simplification measures such as uniform definitions or free tax software that could be achieved by federal legislation. We do not believe that the state-by-state approach is the best solution, which is why we are hopeful the U.S. House of Representatives will vote on a federal legislative solution this year to move this issue toward a final resolution.

America's merchant community urgently needs Congress to resolve this serious issue that continues to disadvantage many small businesses and the communities they serve across the country.

Thank you for your immediate consideration.

Sincerely,

American Farm Bureau Federation  
American Lighting Association  
American Supply Association  
American Veterinary Medical Association  
Auto Care Association  
CCIM Institute  
Consumer Technology Association  
Education Market Association  
Heating, Air-Conditioning & Refrigeration Distributors International (HARDI)  
Home Furnishing Association  
International Council of Shopping Centers  
International Economic Development Council  
Institute of Real Estate Management (IREM)  
Jewelers of America  
National Association of College Stores  
National Association of Electrical Distributors  
National Association of Real Estate Investment Trusts  
National Association of REALTORS®  
National Association of Wholesaler-Distributors  
National Retail Federation  
National Ski & Snowboard Retailers Association  
National Sporting Goods Association  
Outdoor Industry Association  
Real Estate Roundtable  
Retail Industry Leaders Association  
U.S. Chamber of Commerce