

House Resolution 19 - Introduced

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1 1 HOUSE RESOLUTION NO. ____
1 2 BY RANTS
1 3 A Resolution urging the members of the Iowa
1 4 congressional delegation to sponsor and support
1 5 the Sales Tax Fairness and Simplification Act.
1 6 WHEREAS, the 1967 Bellas Hess and the 1992 Quill
1 7 United States Supreme Court decisions denied states
1 8 the authority to require the collection of sales and
1 9 use taxes by out-of-state sellers that have no
1 10 physical presence in the taxing state; and
1 11 WHEREAS, the combined weight of the inability to
1 12 collect sales and use taxes on remote sales through
1 13 traditional carriers and the tax erosion due to
1 14 electronic commerce threatens the future viability of
1 15 the sales tax as a stable revenue source for state and
1 16 local governments; and
1 17 WHEREAS, the Center for Business and Economic
1 18 Research at the University of Tennessee has estimated
1 19 that states lost as much as \$30 billion in 2008
1 20 because they were not able to collect taxes on remote
1 21 sales, including sales on the Internet; and
1 22 WHEREAS, the same study, estimated that Iowa lost
1 23 as much as \$243 million in 2008 because of this
1 24 inability to require remote sellers to collect Iowa
1 25 sales and use taxes; and
1 26 WHEREAS, since 1999, state legislators, governors,
1 27 local elected officials, state tax administrators, and
1 28 representatives of the private sector have worked to
1 29 develop a Streamlined Sales and Use Tax Collection
1 30 System for the 21st Century; and
2 1 WHEREAS, between 2001 and 2004, Iowa and 39 other
2 2 states enacted legislation expressing the intent of
2 3 the state to simplify the state's sales and use tax
2 4 collection systems and to participate in multistate
2 5 discussions to finalize and ratify an interstate
2 6 agreement to streamline collection of the states'
2 7 sales and use taxes; and
2 8 WHEREAS, on November 12, 2002, state delegates
2 9 unanimously ratified the Streamlined Sales and Use Tax
2 10 Agreement, which substantially simplifies state and
2 11 local sales tax systems, removes the burdens to
2 12 interstate commerce that were of concern to the
2 13 Supreme Court, and protects state sovereignty; and
2 14 WHEREAS, the Streamlined Sales and Use Tax
2 15 Agreement provides that states with a blueprint to
2 16 create a simplified and more uniform sales and use tax
2 17 collection system that when implemented, allows
2 18 justification for the United States Congress to
2 19 overturn the Bellas Hess and Quill decisions; and
2 20 WHEREAS, Iowa enacted legislation in 2003 to bring
2 21 this state's sales and use tax statutes into
2 22 compliance with the Streamlined Sales and Use Tax
2 23 Agreement; and
2 24 WHEREAS, by July 1, 2008, the states of Arkansas,
2 25 Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota,
2 26 Nebraska, Nevada, New Jersey, North Carolina, North
2 27 Dakota, Ohio, Oklahoma, South Dakota, Tennessee,
2 28 Texas, Utah, Vermont, Washington, West Virginia, and
2 29 Wyoming, representing over 35 percent of the total
2 30 population of the United States, enacted legislation
3 1 to bring their state's sales and use tax statutes into
3 2 compliance with the Agreement; and
3 3 WHEREAS, the Iowa General Assembly and legislator
3 4 colleagues in the other states have shown the resolve
3 5 to acknowledge the complexities of the current sales
3 6 and use tax collection system, have worked with the
3 7 business community to formulate a truly simplified and
3 8 streamlined collection system, and have shown the
3 9 political will to enact the necessary changes to make
3 10 the streamlined collection system the law; and
3 11 WHEREAS, the Sales Tax Fairness and Simplification
3 12 Act will be introduced in the 111th Congress to grant

3 13 those states that comply with the Agreement the
3 14 authority to require all sellers, regardless of nexus,
3 15 to collect those states' sales and use taxes; and
3 16 WHEREAS, supporting the states' effort to comply
3 17 with the Streamlined Sales and Use Tax Agreement and
3 18 the federal legislation granting states collection
3 19 authority are such companies, unions, and
3 20 organizations as the Alabama Retail Association;
3 21 American Booksellers Association; Arizona Retailers
3 22 Association; Arkansas Grocers and Retail Merchants
3 23 Association; Best Buy, Inc.; California Retailers
3 24 Association; Colorado Retail Council; Connecticut
3 25 Retail Merchants Association; Council on State
3 26 Governments; Council of State Retail Associations;
3 27 Council on State Taxation; Cracker Barrel Old Country
3 28 Store, Inc.; CTIA=The Wireless Association; Federation
3 29 of Tax Administrators; First Washington Realty, Inc.;
3 30 Florida Retail Federation; General Growth Properties,
4 1 Inc.; Georgia Retail Association; Retail Merchants
4 2 Association of Hawaii; Home Depot; Idaho Retailers
4 3 Association; Illinois Retail Merchants Association;
4 4 Independent Music Retailers Association; Indiana
4 5 Retail Council; International Council of Shopping
4 6 Centers; International Union of Police; Iowa Retail
4 7 Federation; J.C. Penney Corporation, Inc.; Jack in the
4 8 Box, Inc.; Jewelers of America; Kansas Retail Council;
4 9 Kentucky Retail Association; Kimco Realty Corporation;
4 10 Kmart Corporation; Land's End; Louisiana Retailers
4 11 Association; Maine Merchants Association; Maryland
4 12 Retailers Association; Retailers Association of
4 13 Massachusetts; Michigan Retailers Association;
4 14 Minnesota Retailers Association; Retail Association of
4 15 Mississippi; Missouri Retailers Association; National
4 16 Association of Chain Drug Stores; National Association
4 17 of College Stores; Nation Association of Industrial
4 18 and Office Properties; National Association of Real
4 19 Estate Investment Trusts; National Bicycle Dealers
4 20 Association; National Conference of State
4 21 Legislatures; National Education Association; National
4 22 Governors Association; National Office Products
4 23 Association; National Retail Federation; Nebraska
4 24 Retail Federation; Retail Federation of Nevada; New
4 25 England Independent Booksellers Association; New
4 26 Jersey Retail Merchants Association; New Mexico Retail
4 27 Association; Retail Council of New York State;
4 28 Newspaper Association of America; North American
4 29 Retail Dealers Association; North Carolina Retail
4 30 Merchants Association; North Dakota Retail
5 1 Association; Northern California Independent
5 2 Booksellers; Ohio Council of Retail Merchants;
5 3 Oklahoma Retail Council; Pacific Northwest Booksellers
5 4 Association; Pennsylvania Retailers' Association;
5 5 Performance Automotive Retailers; Performance
5 6 Warehouse Association; PETSMART, Inc.; RadioShack
5 7 Corporation; Real Estate Roundtable; Retail Leaders
5 8 Association; Rhode Island Retail Federation; Ross
5 9 Stores, Inc.; Sears Holdings Corporation; Simon
5 10 Property Group, Inc.; South Carolina Retail
5 11 Association; South Dakota Retailers Association;
5 12 Staples, Inc.; Target; Tennessee Retailers
5 13 Association; The Gap, Inc.; The Macerich Company; The
5 14 TJX Companies, Inc.; US Telecom; Utah Retail Merchants
5 15 Association; Vermont Retail Association; Virginia
5 16 Retail Merchants Association; Wal-Mart; Washington
5 17 Retail Association; Weingarten Realty Investors; West
5 18 Acres Development LLP; Westfield; Wisconsin Merchants
5 19 Federation; and Wyoming Retail Merchants Association;
5 20 and

5 21 WHEREAS, until Congress and the President enact the
5 22 Sales Tax Fairness and Simplification Act,
5 23 participation by remote sellers is only voluntary and
5 24 thus states are unlikely to close the revenue gap
5 25 between what is owed on remote transactions and what
5 26 is collected; and

5 27 WHEREAS, Congressman Roy Blunt of Missouri has
5 28 termed this federal legislation as "fiscal relief for
5 29 the states that does not cost the federal government a
5 30 single cent" and ensures the viability of the sales and

6 1 use taxes as a state revenue source; NOW THEREFORE,
6 2 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,
6 3 That the Iowa House of Representatives calls upon the

6 4 members of Iowa's congressional delegation to join as
6 5 cosponsors of the Sales Tax Fairness and
6 6 Simplification Act and to support its swift adoption
6 7 by the Congress of the United States; and
6 8 BE IT FURTHER RESOLVED, That the Iowa House of
6 9 Representatives urges President Barack Obama to sign
6 10 the Sales Tax Fairness and Simplification Act into law
6 11 upon its passage the Congress.
6 12 BE IT FURTHER RESOLVED, That a copy of this
6 13 resolution be transmitted to President Barack Obama;
6 14 Vice President Joe Biden; Speaker of the United States
6 15 House of Representatives, Nancy Pelosi; Senator Harry
6 16 Reid, Senate Majority Leader; Representative Steny
6 17 Hoyer, House Majority Leader; Senator Mitch McConnell,
6 18 Senate Minority Leader; Representative John Boehner,
6 19 House Minority Leader; the members of Iowa's
6 20 congressional delegation; and Iowa Governor Chet
6 21 Culver.
6 22 LSB 2195HH 83
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