

Senate Joint Resolution No. 5—Senator Woodhouse

FILE NUMBER.....

SENATE JOINT RESOLUTION—Urging Congress to enact the Marketplace Fairness Act.

WHEREAS, In the case of *National Bellas Hess, Inc. v. Department of Revenue*, 386 U.S. 753 (1967), the United States Supreme Court held, in relevant part, that Congress alone has the power to regulate and control the taxation of commerce that is conducted between a business that is located within one state and a customer who is located in another state and who communicates with and purchases from the business using only remote means; and

WHEREAS, The United States Supreme Court established in *Quill Corporation v. North Dakota*, 504 U.S. 298 (1992), that a state government cannot, of its own accord, require out-of-state retailers to collect sales tax on sales within the state; and

WHEREAS, The United States Supreme Court also announced in *Quill* that Congress could exercise its authority under the Commerce Clause of the United States Constitution to decide whether, when and to what extent the states may require the collection of sales tax on remote sales; and

WHEREAS, The State of Nevada and municipalities within this State receive significant operating revenue from sales taxes collected by brick-and-mortar businesses and online vendors with a nexus to the State and from use taxes on purchases made online through vendors without a brick-and-mortar location in the State; and

WHEREAS, Remittance of use taxes not collected by a vendor from online purchases imposes an undue burden and widely unknown obligation on consumers; and

WHEREAS, The unequal taxation schemes as between online and traditional retailers create a disadvantage for Nevada-based retailers, who are rooted and invested in the Nevada community and employ residents of this State; and

WHEREAS, The tax collection loophole for online retailers deprives local governments of revenue that could be used to fund necessities such as schools, police departments and fire departments, and other important infrastructure; and

WHEREAS, The Marketplace Fairness Act was introduced in the 112th Congress, again in the 113th Congress and again in the 114th Congress, to provide states with the authority to require out-of-state retailers, such as online and catalog retailers, to collect and remit sales tax on purchases shipped into the state; and



WHEREAS, The State of Nevada has enacted the Simplified Sales and Use Tax Administration Act, chapter 360B of NRS, which is in compliance with the Marketplace Fairness Act; now, therefore, be it

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That the members of the 79th Session of the Nevada Legislature urge Congress to enact the Marketplace Fairness Act without further delay; and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the United States Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation and the Executive Director of the Department of Taxation; and be it further

RESOLVED, That this resolution becomes effective upon passage.

