



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

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June 12, 2014

The Honorable Jason Chaffetz
Congressman for the 3rd District of Utah
2236 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Womack
Congressman for the 3rd District of Arkansas
1199 Longworth House Office Building
Washington, DC 20515

Dear Congressman Chaffetz and Congressman Womack:

I am writing to voice the support of the International Economic Development Council (IEDC) for the Remote Transaction Parity Act of 2015. IEDC has long supported a remedy for the issue of sales tax collection for internet purchases, including support for the Main Street Fairness Act and the Marketplace Fairness Act. It is a matter of fairness and budgetary common sense and we are hopeful this long-standing issue can be resolved and state's beleaguered balance sheets can find some measure of relief.

As you know, the Remote Transaction Parity Act of 2015 (RTPA) does not create a new tax and simply provides states with a sense of Congress and framework for reasonably and efficiently collecting sales taxes on internet purchases. It levels the playing field by requiring internet retailers to do the same that small, brick and mortar businesses are required to do: collect sales tax at the point of purchase. The proposed legislation sends a firm message of support for small business, the cornerstone of strong local economies.

The process has been simplified by a mechanism created by the Streamlined Sales and Use Tax Agreement, which minimizes the burden on small businesses to have to learn and follow multiple jurisdictions' tax laws. For states that are not members of the SSUTA, the bill also provides an alternative, which is a list of prudent requirements for simplifying their state sales tax. There can be no question that by passing RTPA states will benefit from increased tax receipts. Some estimates suggest states have lost out on over \$30 billion in potential revenue in the last decade. This money would have helped lessen the sting of the draconian cuts to infrastructure, education, and other state spending as a result of the Great Recession. This money will help fund future economic development priorities as we continue to build and maintain our communities if Congress can pass RTPA.

Thank you for your leadership on this critical issue and for your commitment to local job creation. Please do not hesitate to be in touch if you think IEDC might be helpful in advancing RTPA.

Sincerely,

Jeffery A. Finkle, CEcD
President & CEO