



peopleforbikes

BUSINESS NETWORK

PeopleForBikes Coalition

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September 17, 2015

The Honorable Jason Chaffetz
2236 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Chaffetz:

PeopleForBikes Business Network, representing bicycle retailers, suppliers and manufacturers in communities across the country, supports the passage of H.R. 2775, the Remote Transactions Parity Act (RTPA), which will modernize our outdated sales tax collection process.

The bicycle industry has a strong history of independent, locally owned bicycle retailers. Across the country there are 4,800 independent bicycle retailers. In Utah, there are 235 bicycle retailers employing 1,215 people. By allowing states to require online retailers to collect sales taxes, regardless of where the store is located, H.R. 2775 is critical to helping these retailers gain parity with online retailers, who have been given a competitive advantage by selling goods without collecting the sales tax that brick and mortar stores must assess.

We are pleased your legislation recognizes that the collection of online sales tax should be based on the destination the product would be shipped, instead of the location of the online seller. Additionally, the legislation creates parity between online retailers and their brick and mortar counterparts, which are currently subject to different tax collection requirements. Specifically, by establishing a single point of collection, a uniform sales and use tax base, and free certified software solutions for all sellers. Also, thank you for including a provision to expand audit protections to protect businesses from state regulatory overreach.

We look forward to working with you to advance RTPA, which will provide a fair landscape for businesses, where different types of retailers can compete for customers on equal footing.

Sincerely,

Jenn Dice
Vice President, Business Network

