

September 18, 2007

Honorable Mike Enzi
United States Senate
379A Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Enzi:

The undersigned groups are in strong support of the Sales Tax Fairness and Simplification Act, (S. 34) which provides for fair and simple sales tax collection.

As you know, brick-and-mortar retailers are currently required to collect sales taxes, while many online and catalog retailers are not required to collect the same taxes. This is not only fundamentally unfair to Main Street retailers, but it is costing states and localities billions in lost revenue. This further threatens vital public services including health care, education, and public safety.

Responding to this unfair situation, 34 states and the District of Columbia -- working in conjunction with the business community-- approved the "Streamlined Sales and Use Tax Agreement" on November 12, 2002. The multi-state agreement outlines a comprehensive system to simplify the states' sales tax rules. Today, 22 states, representing over 57 million constituents, have enacted legislation to change the tax laws and implement the requirements of the Agreement. In addition, more than \$125 million in revenues have been voluntarily collected by businesses participating in the Agreement. This comprehensive Agreement will dramatically lower tax compliance burdens for American businesses and consumers.

The states have made great progress and we now call on Congress to respond to their efforts by passing S. 34. The legislation will give those states that have complied with the Agreement the authority to require out-of-state sellers to collect sales tax on remote sales. S. 34 includes a small business exception, whereby a seller with gross-remote taxable sales below \$5 million is not required to collect sales taxes under the Agreement.

This legislation has the support of brick-and-mortar and online retailers; retail and real estate associations; publicly- and privately-owned shopping centers; state government groups; and organizations representing firefighters, teachers, police and other public sector workers.

As Congress once again considers an extension of the federal moratorium on state and local taxes on Internet access, we would call upon Congress to first provide relief for the states and our nation's retailers by considering and passing S. 34, the Sales Tax Fairness and Simplification Act.

We thank you for introducing this vital legislation and we look forward to working with you toward enactment.

Sincerely,

Alabama Retail Association
American Booksellers Association

Andrew's Jewelers
Arizona Retailers Association
Arkansas Grocers and Retail Merchants Association
Best Buy Co., Inc.
California Retailers Association
Circuit City Stores, Inc.
Cody's Books
Colorado Retail Council
Connecticut Retail Merchants Association
Council on State Governments (CSG)
Council of State Retail Associations (CSRA)
Council on State Taxation (COST)
Cracker Barrel Old Country Store, Inc.
Federation of Tax Administrators (FTA)
First Washington Realty Inc.
Florida Retail Federation
General Growth Properties, Inc.
Georgia Retail Association
Retail Merchants Association of Hawaii
Home Depot
Idaho Retailers Association
Illinois Retail Merchants Association
Independent Music Retailers Association
Indiana Retail Council
International Council of Shopping Centers (ICSC)
International Union of Police
Iowa Retail Federation
J. C. Penney Corporation, Inc.
Jack in the Box, Inc.
Jewelers of America
Kansas Retail Council
Kentucky Retail Association
Kimco Realty Corporation
K-Mart Corporation
Land's End
Louisiana Retailers Association
Maine Merchants Association
Maryland Retailers Association
Retailers Association of Massachusetts (RAM)
Michigan Retailers Association
Minnesota Retailers Association
Retail Association of Mississippi
Missouri Retailers Association
National Association of Chain Drug Stores
National Association of College Stores
National Association of Convenience Stores
National Association of Industrial and Office Properties (NAIOP)
National Association of Real Estate Investment Trusts (NAREIT)

National Bicycle Dealers Association
National Conference of State Legislatures (NCSL)
National Governors Association (NGA)
National Office Products Alliance
National Retail Federation
Nebraska Retail Federation
Retail Association of Nevada
New England Booksellers Association
New Jersey Retail Merchants Association
New Mexico Retail Association
Retail Council of New York State
Newspaper Association of America
North American Retail Dealers Association (NARDA)
North Carolina Retail Merchants Association
North Dakota Retail Association
Northern California Independent Booksellers
Ohio Council of Retail Merchants
Oklahoma Retail Council
Pacific Northwest Booksellers Association
Pennsylvania Retailers' Association
Performance Automotive Retailers
Performance Warehouse Association
PETsMART, Inc
RadioShack Corporation
Real Estate Roundtable
Retail Industry Leaders Association
Rhode Island Retail Federation
Ross Stores, Inc.
Sears Holdings Corporation
Simon Property Group
South Carolina Retail Association
Staples, Inc.
Target, Inc.
Tennessee Retailers Association
Texas Retailers Association
The Gap, Inc.
The Macerich Company
The TJX Companies, Inc
Utah Retail Merchants Association
Vermont Retail Association
Virginia Retail Merchants Association
Wal-Mart
Washington Retail Association
Weingarten Realty Investors
West Acres Development LLP
Westfield America, Inc.
Wisconsin Merchants Federation
Wyoming Retail Merchants Association