

November 30, 2012

The Honorable Harry Reid  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Mitch McConnell  
Republican Leader  
U.S. Senate  
Washington, D.C. 20510

Dear Majority Leader Reid and Republican Leader McConnell:

On behalf of the National Retail Federation, I urge you to support the Durbin-Enzi-Alexander amendment #3223 to S. 3254, the National Defense Authorization Act for Fiscal Year 2013. The amendment includes language similar to S. 1832, the Marketplace Fairness Act, and would address the current sales tax collection disparity that gives remote sellers an unfair price advantage over main street retailers in your state because they do not have to collect sales taxes. This issue has been vetted in hearings before the Senate Committee on Finance and the Senate Committee on Commerce, Science, and Transportation.

As the nature of retailing evolves and internet sales become a more prominent portion of total retail sales, it is critical that sales tax collection requirements not discriminate between similar businesses based on how their products are distributed. The current collection disparity has tilted the competitive landscape against local stores creating a crisis for brick-and-mortar retailers around the country. This amendment will address the crisis by removing the constitutional limitation on your State's authority to collect sales and use taxes from remote sellers. Further, this amendment is an important step to help simplify the compliance requirements for remote sellers to satisfy the Supreme Court's concerns raised in the *Quill* decision.

As the world's largest retail trade association and the voice of retail worldwide, NRF's global membership includes retailers of all sizes, formats and channels of distribution as well as chain restaurants and industry partners from the United States and more than 45 countries abroad. In the U.S., NRF represents an industry that includes more than 3.6 million establishments and which directly and indirectly accounts for 42 million jobs – one in four U.S. jobs. The total U.S. GDP impact of retail is \$2.5 trillion annually, and retail is a daily barometer of the health of the nation's economy.

This amendment will bring a level playing field for local and online retailers alike and provide a business climate in which retailers have a better opportunity to grow and create jobs in a truly competitive marketplace. We urge you to vote for amendment #3223.

Sincerely,



David French  
Senior Vice President  
Government Relations

cc: Members of the U.S. Senate