

RESOLUTION NO. 2000-08  
PAHRUMP TOWN BOARD

E-Commerce Equity Resolution

*Tabled for further study*

- WHEREAS, the use of new communications technologies, including the Internet, as a way to conduct sales of goods and services is accelerating; and
- WHEREAS, out-of-state vendors who conduct sales via the Internet, mail order, and phone, under many circumstances, are not required by law to collect existing sales and use taxes imposed by state and local governments in which the purchaser resides; and
- WHEREAS, the primary barrier to collecting taxes on remote sales is the Supreme Court's ruling in Quill v. North Dakota, which defers to Congress, and only Congress, to authorize states to require remote vendors to collect taxes in a manner that does not unduly burden interstate commerce; and
- WHEREAS, current laws create a competitive disadvantage and great inequities between merchants who sell from traditional "Brick-and-mortar" establishments and those who sell from electronic stores; and
- WHEREAS, this migration of sales to the Internet in restricting the ability of state and local governments and school districts to collect taxes which finance essential public services including but not limited to police, fire, emergency medical service, education, social services, infrastructure development, and local healthcare; and
- WHEREAS, the United States Constitution reserves for the states the right to collect and impose taxes; and
- WHEREAS, 45 states and the District of Columbia collect over 40 percent of overall revenue from sales taxes to fund vital public services; and
- WHEREAS, a recent University of Tennessee study estimates that state sales tax revenue losses in 2003 will exceed \$10 billion; and
- WHEREAS, the Town of Pahrump estimates a potential loss of revenues which could result in a significant reduction of essential public services; and
- WHEREAS, the Advisory Commission on Electronic Commerce, established by the Internet Tax Freedom Act, failed to address, in a fair and equitable manner, the growing volume of tax-free sales transactions occurring over the