



Nevada League of Cities & Municipalities

310 S. Curry Street
Carson City, NV 89703
775-882-2121

July 7, 2015

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

Dear Representative Chaffetz:

We would like to thank you for your support and leadership in introducing the Remote Transactions Parity Act (H.R. 2775). As you know, this bill will modernize our nation's outdated sales tax collection process.

As you are aware, the Remote Transactions Parity Act does not impose a new tax but creates a collection mechanism for taxes already owed but unpaid. Current law in Nevada requires that individuals that make a purchase online for which sales tax is not collected are required to report the purchase to the Department of Taxation and remit use taxes equal to the sales tax that was not collected. H.R. 2775 levels the playing field between online and brick-and-mortar stores by closing the online sales tax loophole. Sales or use taxes are owed on all purchases, and it is unfair for online retailers to skip collecting taxes, while the stores our community collect all owed taxes.

The Act will also provide local governments with the resources needed to invest in communities, build infrastructure and provide important services like emergency response. The University of Tennessee, in an article by Donald Bruce and others, dated April 13, 2009 estimates that \$344,923,618 of taxes owed on internet purchases goes uncollected in Nevada annually. Nationwide the study estimates that \$23.2 billion in owed taxes goes uncollected each year. Congress can give states and local governments the power to require sellers who do not have a physical presence in their jurisdiction to charge and collect sales taxes. Closing this loophole has long been a priority of the Nevada League of Cities and Municipalities.

We again thank you for introducing the Remote Transactions Parity Act. We fully support H.R. 2775 and have urged the Nevada members of the House of Representatives to support the bill as well.

Sincerely,

A handwritten signature in blue ink that reads "Wes Henderson". The signature is fluid and cursive.

Wes Henderson
Executive Director