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Marketplace Fairness Emerges From House Judiciary Hearing As Key State Tax Issue For Congress To Address

Thousands of Small Business Owners Still Seeking Action on e-Fairness

WASHINGTON D.C. – Even though it was not made part of the formal hearing agenda on state nexus issues by the House Judiciary Committee this morning, Members of Congress and key witnesses made clear today that closing the antiquated online sales tax loophole and passing marketplace fairness legislation remains the top issue for Congress to address on state taxation issues.

“Restoring the rights of states to enforce their tax laws and closing an antiquated loophole that gives online businesses a government-sponsored tax advantage over Main Street businesses is one of the most important issues for states and small businesses alike. We appreciate that many Members of the House, as well as expert witnesses who testified at today’s hearing, recognize the seriousness of this issue but it’s disappointing there still isn’t a bill before the Committee to publicly debate,” the Marketplace Fairness Coalition said today. **“Failure to find a workable solution undermines both the local business community, and the governors and state lawmakers across the country who are balancing their books, funding badly needed infrastructure products, and, in many cases, trying to cut taxes.”**

In his opening testimony, National Governors Association Executive Director Dan Crippen reminded lawmakers that “[t]he need to create parity between in-state and out-of-state retailers regarding the collection of state and local sales taxes” remains “the tax issue of greatest importance of states.”

Crippen continued, “Governors maintain that before any federal legislation regarding state tax legislation is passed, Congress must first address this disparity.”

“Marketplace fairness has received the strong support of conservatives, moderates and liberals alike, in both parties and in both chambers of Congress. America’s retail and distribution community continues to ask the House to find a workable solution that restores free market competition and states’ rights,” the Coalition concluded.

Background

- On May 6, 2013, the Senate passed S.743, the *Marketplace Fairness Act of 2013*, in a broad and bipartisan vote of 69-27, but the House has refused to hold a similar vote.
- Last year, over 1,000 small business owners from across the country sent a letter to Chairman Goodlatte calling on him to help pass marketplace fairness. A copy of the letter [is available here](#).

MARKETPLACE **FAIRNESS** COALITION

- [Click here](#) to read what some of the nation's top conservative leaders and Republican Governors have said in support of marketplace fairness.
- [Click here](#) to read what dozens of the nation's leading editorial boards have written in support of marketplace fairness.

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The Marketplace Fairness Coalition is comprised of businesses of every size, sector, and channel of product distribution, located in every state throughout the country.