



# **H.R. 2775, The Remote Transactions Parity Act of 2015**

## **It's Time to Restore Fairness to Local Businesses**

### **Local businesses need Congress to pass RTPA and stop picking winners and losers.**

- Current sales tax policy provides as much as a 10% government subsidy for online sellers.
- Sellers should compete on price, inventory and customer service, not on tax treatment.
- RTPA would restore free-market principles to the marketplace by leveling the playing field for businesses in our communities.

### **RTPA ensures that there is parity at the time of sale.**

- RTPA is based on destination sourcing, which means that the tax rate is based on the location of the consumer.
- Since sales tax is a consumption tax and not a tax on the business, it makes sense that the tax rate should be based on the location of the consumer.
- By basing the tax rate on the location of the consumer, RTPA ensures that all sales are treated the same regardless of how the purchase is made; in a store or online.
- RTPA makes sure that foreign sellers collect sales taxes on behalf of the consumer so that local businesses are not disadvantaged.

### **RTPA provides balance between states' rights and protections for remote and multi-channel sellers.**

- RTPA recognizes that today's modern marketplace needs certainty and a uniform standard for sales and use tax collection.
- RTPA acknowledges the current collection system used by thousands of remote and multi-location sellers and does not require new accounting systems to be instituted.
- RTPA establishes audit protections for remote sellers and requires states to provide sales tax collection software and integration to remote sellers free of charge.
- RTPA allows for a transition period for smaller remote sellers.
- RTPA broadens the tax base, promotes a more stable revenue stream for state and local governments and positions them to lower taxes for their residents and businesses.

### **The time has come for Congress to pass e-fairness legislation.**

- Congress has considered e-fairness legislation for more than a decade and has held close to 40 hearings related to this issue.
- The same technology that makes online retail a reality has already simplified sales tax calculation and collection for sellers.
- RTPA is the product of an inclusive stakeholder process and has wide support by the business community and state and local governments.