

For Immediate Release

February 28th, 2013

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## **Sen. Woodhouse Urges Congress to Pass Marketplace Fairness Act**

Carson City, NV - Today, Nevada State Senator Joyce Woodhouse testified before the Senate Legislative Operations and Elections Committee in support of Senate Joint Resolution 5. Woodhouse sponsored this legislation, which urges Congress to pass the Marketplace Fairness Act. The Marketplace Fairness Act, S. 1832, was considered, but not passed by the 112th Congress in 2011. It proposed to grant states the authority to require out-of-state retailers to collect and remit sales taxes on purchases shipped into a state.

This affects Nevada in two ways. First, the increase in Internet commerce is rapidly eroding Nevada's sales tax base, depriving the State and school districts and local governments of much needed revenue. Sales and use taxes are the centerpiece of Nevada's fiscal system. Sales taxes are Nevada's largest single source of general fund revenue, making up about 28 percent of the total, somewhat more than gaming taxes. Sales taxes are also one of the largest sources of revenue for Nevada's school districts and local governments. In all, sales and use taxes yield about \$2.7 billion per year to the State and to Nevada's local governments. It is estimated that Nevada would collect nearly \$150million a year in additional revenue if this legislation was passed by Congress.

"The increase in Internet commerce is rapidly eroding our sales tax base, depriving the State as well as our school districts and local governments of much needed revenues," said Woodhouse. "It is time that our local businesses no longer serve as "showrooms" for companies that do business online. Marketplace Fairness will bring in more revenue to help our schools and ensure a more even playing field for Nevada's small businesses."

Among those who attended the hearing in support of the bill were the City of Henderson, the Las Vegas Metro Chamber of Commerce, and the Reno Chamber of Commerce. The Retail Association of Nevada also submitted testimony in support of SJR 5.

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