

By: Representative Nettles

To: Rules

HOUSE CONCURRENT RESOLUTION NO. 30

1 A CONCURRENT RESOLUTION MEMORIALIZING CONGRESS TO ALLOW
2 STATES TO TAX INTERNET AND MAIL ORDER SALES.

3 WHEREAS, state and local governments across the country have
4 relied heavily on sales and use taxes to provide services to their
5 constituents; and

6 WHEREAS, the explosive growth in the sale of goods and
7 services over the Internet has limited the ability of states to
8 fairly administer an outdated and cumbersome tax system; and

9 WHEREAS, in 1998, Congress approved the Internet Tax Freedom
10 Act, which prohibited state and local governments from imposing
11 any new taxes on e-commerce for three years and remains in effect
12 until October 1, 2001; and

13 WHEREAS, e-commerce is increasing at an astonishing rate as
14 totals in 1998 reached only \$14.9 billion and more than doubled in
15 1999, reaching \$31 billion; and

16 WHEREAS, the sales tax exemption for e-commerce is likely to
17 exacerbate a growing gap between those who have Internet access
18 and those without Internet access; and

19 WHEREAS, imposition of sales and use taxes on e-commerce is
20 necessary for a level playing field for all consumers; and

21 WHEREAS, a permanent ban on Internet taxes by Congress, would
22 leave state leaders facing the possibility of radical overhauls in
23 state tax systems to make up for lost revenues; and

24 WHEREAS, there is a legal restriction on the ability of
25 states to impose sales and use taxes on certain mail order sales
26 causing an inequity in the imposition of sales and use taxes on
27 purchases made through certain mail order businesses compared to



28 the imposition of sales and use taxes on purchases made from local
29 businesses; and

30 WHEREAS, the inability of states to impose sales and use
31 taxes on purchases made through certain mail order businesses
32 creates a shortfall in sales and use tax collections for state and
33 local government:

34 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
35 REPRESENTATIVES OF THE STATE OF MISSISSIPPI, THE SENATE CONCURRING
36 THEREIN, That we do hereby memorialize Congress to end the
37 moratorium on Internet taxes and allow the states to impose taxes
38 on Internet and mail order sales.

39 BE IT FURTHER RESOLVED, That copies of this resolution be
40 furnished to the Mississippi Congressional Delegation and to the
41 members of the Capitol Press Corps.

