

By: Representative Clark

To: Rules

HOUSE CONCURRENT RESOLUTION NO. 24

1 A CONCURRENT RESOLUTION URGING CONGRESS TO PASS LEGISLATION
2 AUTHORIZING TAXATION OF INTERNET SALES.

3 WHEREAS, three years ago, Congress and the White House
4 supported and passed a temporary Internet sales and use tax
5 moratorium, citing the need for a cooperative effort between state
6 leaders and business executives to seek a solution to the Internet
7 tax conundrum; and

8 WHEREAS, with the adoption of House Resolution 4328, the
9 "Internet Tax Freedom Act" (ITFA), Congress authorized and created
10 a committee to discuss possible ways to help local governments
11 obtain sales and use taxes they are rightfully afforded without
12 stifling the growth of Internet commerce; and

13 WHEREAS, the intent of the moratorium was to provide time for
14 the committee and other relevant parties to develop an acceptable
15 procedure for addressing Internet taxes; and

16 WHEREAS, under prior court decisions, states are unable to
17 require the collection of sales taxes and use taxes by sellers
18 making Internet sales unless such seller has a certain presence in
19 a state; and

20 WHEREAS, sales and use taxes provide a large portion of the
21 revenue needed to maintain essential government services so that
22 imposing restrictions on the taxation of specific types of
23 commercial transactions will result in millions of dollars of lost
24 revenue and will unfairly burden the state with the task of
25 delivering quality services using fewer dollars; and

26 WHEREAS, legislation authorizing the taxation of Internet
27 access and Internet sales would foster competitive business

28 practices and assist in creating a level playing field for all
29 consumers; and

30 WHEREAS, the inability to tax Internet sales and collect the
31 revenue associated therewith will leave state leaders facing the
32 possibility of radical overhauls in state tax systems to make up
33 for lost revenues:

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 urge Congress to remove the moratorium
37 limiting the collection of sales tax on Internet access and to
38 take action necessary to authorize the taxation of sales made via
39 the Internet.

40 BE IT FURTHER RESOLVED, That copies of this resolution be
41 furnished to President George W. Bush, the President of the United
42 States Senate, the Speaker of the United States House of
43 Representatives and to the members of the Capitol Press Corps.