

**CITY OF REDMOND
RESOLUTION NO. 1470**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, URGING THE UNITED STATES CONGRESS TO ENACT LEGISLATION ENABLING STATE AND LOCAL GOVERNMENTS TO COLLECT SALES TAX REVENUES THAT ARE DUE AND PROTECT LOCAL BUSINESS THROUGH THE PRESERVATION OF AN EQUITABLE SALES TAX SYSTEM

WHEREAS, many State and Local governments rely on the collection of sales and use taxes to support funding to improve needed infrastructure improvements, strengthen local small businesses, create jobs for their citizens, and fund essential services; and

WHEREAS, local small businesses confront expanded competition from Internet sales by remote sellers, some of which are unwilling to collect and remit properly assessed sales taxes to State and Local governments; and

WHEREAS, national studies reveal that State and Local governments lose approximately \$30 Billion each year from uncollected sales taxes from transactions involving remote Internet retailers; and

WHEREAS, State and Local associations, including the Government Finance Officers Association, the National League of Cities, the National Association of Counties, the United States Conference of Mayors, and the National Governors Association,

along with partners in the retail community, worked together for years to develop a fair and easy system to collect and remit these sales taxes structured on a system of collection based on the purchaser's location; and

WHEREAS, through this collaborative effort, we believe that an effective and efficient response in eliminating the competitive disadvantage faced by our local small business retailers appeared in 2013 when the Marketplace Fairness Act passed in the United States Senate through a bi-partisan effort and would have established a fair system for the collection of existing taxes owed to State and Local government, and address the pressing need to level the playing field among remote Internet sellers and local "bricks and mortar" retailers; and

WHEREAS, following the passage of the Marketplace Fairness Act by the United States Senate in 2013, the United States House of Representatives did not vote on the Marketplace Fairness Act or any alternative to address this critical economic development issue, and this inaction by the House of Representatives caused the United States Senate to reintroduce the Marketplace Fairness Act in 2015; and

WHEREAS, the continued inability of Congress to reach a consensus has resulted in an unfair advantage to out-of-state retailers who are not collecting the Washington state sales tax of

up to 10 percent and has placed significant and challenging limitations on localities; and

WHEREAS, now is the opportunity for the 115th Congress to break this unwarranted stalemate by moving the Marketplace Fairness Act or other similar legislation to collect and remit sales taxes structured on a system of collection based on the purchaser's location through the United States Senate and United States House of Representatives during its 2017 session in order to protect localities and level the playing field between local retailers and remote Internet sellers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

- (1) The City Council urges Senate Majority Leader Mitch McConnell, Senator Murray, Senator Cantwell, and all United States Senators to reintroduce and pass the Marketplace Fairness Act into the United States Senate during its 2017 session.
- (2) The City Council urges Speaker Paul Ryan, Chairman Bob Goodlatte, Congresswoman DeBene, and all Members of the House of Representatives to act on the Marketplace Fairness Act, or other similar legislation, to collect and remit sales taxes structured on a system of

collection based upon the purchaser's location, in the House Judiciary Committee.

(3) The City Council urges the United States Senate and the United States House of Representatives to hold votes to pass the Marketplace Fairness Act, or other similar legislation, to collect and remit sales taxes structured on a system of collection based upon the purchaser's location, during the 2017 session and send the clear message to States and Localities that the United States Congress supports small businesswomen and men.

(4) The City Council directs the City Clerk to provided attested copies of this resolution to The Honorable Paul Ryan, Speaker of the United States House of Representatives, The Honorable Bob Goodlatte, Chairman of the House Judiciary Committee, The Honorable Suzan DelBene, Congresswoman of the 1st District, The Honorable Mitch McConnell, Senate Majority Leader of the United States Senate, The Honorable Patty Murray, United States Senator, and The Honorable Maria Cantwell, United States Senator.

ADOPTED by the Redmond City Council this 21st day of March,
2017.

APPROVED:


JOHN MARCHIONE, MAYOR

ATTEST:


MICHELLE M. HART, MMC, CITY CLERK

(SEAL)

FILED WITH THE CITY CLERK: March 7, 2017
PASSED BY THE CITY COUNCIL: March 21, 2017
RESOLUTION NO: 1470

YES: BIRNEY, CARSON, MARGESON, MYERS, PADHYE, SHUTZ, STILIN